THE HISTORIANS' HISTORY
OF THE WORLD

THESE EVENTFUL YEARS

PART I

The Historians' History of the World

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The Historians' History of the World
First Edition 1904
Second Edition 1907
Third Edition 1909
Fourth Edition 1915
Fifth Edition 1926



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THE SIGNING OF THE TREATY OF VERSAILLES

Dr. Bell and Herr Hermann Müller, the German delegates to the Peace Conference, signing the Peace Treaty in the Hall of Mirrors at Versailles, June 28, 1919, with M. Clemenceau, President of the Conference, opposite. On the right of M. Clemenceau (left to right) are the American delegates, General Bliss, Colonel House, Mr. Henry White, Mr. Lansing and President Wilson, while to the left of M. Clemenceau are Mr. Lloyd George, Mr. Bonar Law, Lord Balfour, Lord Milner and Mr. Barnes.

THE HISTORIANS' HISTORY OF THE WORLD

THESE EVENTFUL YEARS

THE TWENTIETH CENTURY IN THE MAKING

As Told by Many of Its Makers. Being the Dramatic Story of All That Has Happened Throughout the World During the Most Momentous Period in All History

IN TWO PARTS — PART I



IN TWENTY-SEVEN VOLUMES

VOLUME XXV—THESE EVENTFUL YEARS

LONDON: THE ENCYCLOPÆDIA BRITANNICA CO., LTD.
NEW YORK: ENCYCLOPÆDIA BRITANNICA, INC.

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PREFACE

The aim of this work is to tell what has happened in the years of this century, where the world stands to-day, and what the outlook for the future. The authors of the various chapters, eighty-four in number, are those who by their personal part in the events, or by study of them, are best qualified to tell the story, whether regarding the past, the present, or the future. The Editor takes pleasure in referring the reader to the list of writers; so far as he knows, no work of the size has ever been published for which so many and such eminent contributors from all over the globe have united in coöperation. It is doubtful if even the great need of such a work could have induced these writers to contribute, were it not that the *Encyclopaedia Britannica* has at intervals, for upwards of a century and a half, called upon experts and scholars the world over to aid in the compilation of that work. Without the organisation and the experience thus gathered during 150 years, the present work would have been impossible.

These two volumes have, however, no connection of any kind with the *Encyclopaedia Britannica*. They have been prepared quite independently and with an entirely different purpose. They are intended primarily, not for consultation or reference, but for connected reading. They form one continuous story, the truth and vividness of which cannot fail to impress the reader. Each chapter is written for this work, and for this alone, and has not appeared elsewhere. It is an original contribution to the world's knowledge, and often contains new and striking information never before in type.

The contents and arrangement of *These Eventful Years* are so simple that only a few words are needed here. The first four chapters form a sketch — a bird's-eye view — of what has taken place the world over in the unprecedented years of this century. They present a picturesque narrative written by the master-hand of one who knows what has been going on, whether in the limelight or behind the scenes, better probably than any other one person anywhere. They are the natural introduction to the chapters that follow. The reader will find them extremely interesting as well as informative.

Following these four introductory chapters are eleven others covering the World War, its causes, its diplomacy, its fighting. Each of the authors is, the Editor believes, the ideal selection for the chapter written by him. Each has shown an impartiality that is most commendable, but the Editor in an endeavour to depict both sides of this world conflict has asked contributions from them both. Thus, for example, the reader can view the battle of Jutland through the eyes of the two Admirals commanding the two contending fleets.

Following these chapters are eight which deal with some of the results of the war, directly or indirectly, and cover such subjects as the League of Nations, Allied Debts, Taxation, Social Unrest, Wages and Prices, etc.

Then comes a series of chapters dealing with the principal countries of the world and telling what has happened in each during the years of this century. These are written, in many cases, by persons who have been prominent leaders of affairs, but sometimes by scholars who have made the study of those particular countries their speciality.

Next there follows a series of chapters on such movements, events, and phases of thought as have played a large part in the world's affairs during the years in question: as Science, Invention, Spiritualism, Journalism, Psychoanalysis, Big Business, the Progress of Women, Prohibition, Education, Literature, the Arts, etc. These, too, have been for the most part written by the very men and women who have taken the chief share in the movements or events described. The Editor believes that these chapters will help the reader to a solution of many of the leading present-day problems.

Finally, the chapter by Mr. H. G. Wells (the first of the Second Volume) deals with the future and what it has in store for us. The reader will find in this chapter not only the interest which attaches to all of Mr. Wells's writings, but a suggestiveness that makes its own special appeal.

Never before in all history has there been such an upheaval, such changes of a fundamental character, such an advance in science and investigation, such a multitude of events — each of them startling in its way — as in the last few years. It is time that we stop for a moment to consider what has really happened and take bearings of our present and future.

The need to-day for an authoritative, impartial history of recent times is the greater because of the intense nationalistic feeling awakened by the war and by the propaganda — not to say falsification — fostered by the various Governments during the conflict. Propaganda is no new thing, as is shown in the interesting chapter on the subject in this book. Herodotus praised Athens because he was in the pay of Athens. Shakespeare's *Henry VIII* was propaganda for Elizabeth, and *Macbeth*, for James I. But propaganda on the vast scale on which it has been carried on in recent years is new. It was hard enough in the years preceding the war to learn the truth; it was practically impossible during the heat of the conflict; even now it is extremely difficult. But the very fact that the difficulty is there and that the propaganda and falsification have been so extreme, make it all the more necessary that the situation should be faced, the task attempted, the real facts brought to light.

The present moment is especially opportune for such a book as *These Eventful Years*. After every great crisis in world history, a work that tells what has happened and what are the probabilities for the future, is urgently needed. But in the past such a book was not possible until many years after the crisis that it describes. This was because, in earlier days, State secrets were divulged much more slowly than to-day. It was not until almost a generation after the Franco-Prussian War that the world learned with astonishment who was the real aggressor in that conflict. As regards the crisis through which we have just passed, there has been this difference: that each contestant has felt bound to justify his action in the eyes and conscience of the world. Each, therefore, published much that in previous times would have been kept secret. Even more important than this, however, is the fact that since the World War the Governments of many countries have been changed by revolution. Those that have come into power have not been interested in the suppression of the truth regarding their predecessors; on the contrary, they have been interested in pointing out their mistakes as a justification for the change of governments. We, therefore, know more of the real reasons of the crisis and of the way in which it was met, than was true in similar cases after a much greater interval of time.

All the chapters in *These Eventful Years* are signed. The Editor wishes to state that the opinions given are those of the authors, for which he is in no way responsible, and with which, as a matter of fact, he often disagrees. No writer was chosen because he held this, that, or the other belief, or in order to promote any particular view. On the contrary, the endeavour of the Editor

was to select the best writer, and then to give him a free hand to express his opinions fully and fearlessly. Accordingly, the reader will find that at times one writer may differ from another in his interpretation of facts — indeed may differ regarding the facts themselves. In this connection, one may well recall the story told by Sir Walter Raleigh. He watched from his window in the Tower of London a riot in the yard below. Seven witnesses of that riot told what they saw, and each one differed from the other. Sir Walter, himself, seeing events from his particular viewpoint, gave yet another and different description.

Truth is many-sided, and in this world absolute truth is unobtainable. The Editor believes strongly that he serves the cause of truth best when he unites in this book the differing viewpoints of men coming from many countries scattered over the continents of the world, each giving his version of events as he has seen them. He hopes that the reader will get a better, a fairer, and a more impartial idea of what has happened and what will happen, because of this very divergence in the views of the contributors.

The Editor wishes to thank the many friends — too many to mention individually — who have aided him in the preparation of the volumes. He must, however, make two exceptions. He is indebted to his collaborator, Mr. Herbert Brande, for suggestions, ideas, and help, which have aided greatly in the preparation of the book. He is also indebted to the publishers who have given unstintingly of their time and money, and whose only desire has been to make *These Eventful Years* as useful to the reader as possible. To them are due also the many and interesting pictures which appear in the work and which add to the value of the text.

If this book reveals the truth as to what has happened in the agonising years of this century, and tells us where we stand in the parting of the ways that confronts us to-day, it should be a contribution towards a better understanding of the future, and will help in some degree to make that future clearer and brighter.

FRANKLIN H. HOOPER.

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A remarkable photograph showing the explosion of a mine at sea. An enormous number of mines were laid by both the German and Allied Naval forces, the British alone having placed some 35,000 mines in the Dover area. The perils of mine-laying and mine-sweeping were very great, but the use of mines was found to be one of the most effective weapons against the submarine.

THESE EVENTFUL YEARS

THE TWENTIETH CENTURY IN THE MAKING

CHAPTER I

HISTORY OF OUR OWN TIMES

By J. L. Garvin

Editor of *The Observer*. Author of *Economics of Empire; The Maintenance of Empire; The Economic Foundations of Peace;* etc.

World Policy *versus* World Explosion

1890–1914 — from bismarck's fall to the world war

The greatest epochs have raised civilisation to a higher power. They have enlarged life and enriched it — extending knowledge, renewing genius, deepening thought, enhancing ideals. Quickening all the active faculties of man, they have sometimes embodied the spirit of period and place in immortal shapes of literature and art, breathing inspiration into subsequent ages. In this sense, will our modern phase count amongst the greatest epochs? We can not affirm it, but it would be too soon to deny. The seething solution of the world has yet to give its precipitate. Only after an interval do the events of any age show their real effect on mind, art and institutions. What we yet see of the history of our time is the segment of an unfinished circle. As often as optimism has been deceived, pessimism has been undeceived. After a Niagara of war the world is still in the rapids of transition.

Throughout the broader part of human society there is unexampled disruption of the normal order, and moral disarray. The morasses of disillusionment seem to range beyond sight; the mass of ills seems mountainous. The hazard of final catastrophe to white civilisation, or at least to its oldest and most populous sphere, seems distinct and measurable. On the other hand, the reaction from evil has hitherto proved the strongest force of social and political progress, though that reaction has frequently threatened for a time to plunge men and nations into worse calamities than they were attempting to remove. It is not impossible that the magnitude of the difficulties and dangers following the ravages and the passions of war may lead, by reaction from evil, to one of the greatest creative eras of civilisation.

Meanwhile what is already indisputable in any historic estimate of our time is big enough. It has been the mightiest and most tragic of all periods of human action. In little more than two decades, since the close of the nineteenth century, the earth has been forever changed. All the continents and oceans have been involved together in one conflict beyond the wit of any

former generation to conceive. Empires and dynasties have been swept away in a flood of ruin. New States and systems have emerged. Whole peoples have paid the crushing forfeits of defeat. The conquerors have been stricken by the price of victory. Dominating powers have been broken down, whilst races, subject and oppressed, have been lifted up. The proudest have been thrown from their seats and the humble have been exalted. A few tremendous years have

> "Cast the Kingdoms old
> Into another mould."

The final results of the French Revolution and the Napoleonic wars were puny by comparison with these transactions. The maps of Europe, nearer Asia, and middle Africa, have been altered out of all semblance to the atlases of the last century. There can be no confidence that all these novel boundaries are permanent. New wrongs have been too freely substituted for old wrongs. A durable resettlement of the international order has not yet been achieved by the twentieth century. It never was more important for men in general to study the recent past in order to be prepared for the future.

These things have been brought about by the efforts of organisation, invention, heroism, endurance, and by a pitilessness of mutual slaughter, far beyond what was previously guessed of human capacity. Man has amazed himself by the revelation of his powers and appalled himself by the disclosure of the primeval terrors that slept in his heart. The external changes wrought on the map and on the dynastic tables are strange enough; yet the inward changes are more formidable and profound. Revolutions and counter-revolutions, Bolshevist and Fascist, have attacked the basis of all accepted ideas concerning social relations, the meaning of liberty, the validity of dictatorships, the principle of majority-rule, the method of representative institutions as hitherto understood. Everywhere the whole economic and political structure is more or less challenged. Everywhere the fundamental conceptions of the nineteenth century are denied. In these issues, and in other social consequences of the last decade, there may lie the seeds of controversies the deepest since the Reformation. The question of solutions must engage us at the end of this survey.

ORIGINS OF WORLD POLICY AND WORLD CONFLICT

"We live in deeds not words, in actions not in figures on a dial." Before the twentieth century has reached its second quarter, as much action has been crowded into it as a whole century has usually contained. Things have happened which were incredible even to those who foresaw some enormous conflict. In the same way, we may be pretty certain that the sequel, good or bad, will exceed in the long run all present ideas. Under modern conditions the scale on which history works is not likely to diminish. Irrevocably the world has become one — in fate as in connections. For any society, temporary isolation from a series of large international events is possible, but isolation from the consequences is not possible. That is the moral stamped across the record of the twentieth century up to the date reached. We have now to see how this situation has been brought about — how nations and peoples formerly going their own ways were drawn into a common orbit; how the affairs of different continents and their most distant regions became interlinked; how a thousand threads, spun apart, were brought closer, and caught up into one web of world-destiny.

The object of this short introduction to the history of our time is to

disengage the lines of main significance from a multiplicity of interacting influences and converging forces such as no previous epoch presents. Before striking into the narrative of the twentieth century we must examine those antecedent conditions which gave it birth. Fateful stars prevailed over its nativity and decreed its horoscope.

The last phase of the nineteenth century transformed the world and made it a single arena by breaking down the partitions hitherto dividing its affairs into geographical groups. Before the period 1890–1900 was half through, the young German Emperor could say with truth: "We stand under the sign of world-policy and world-traffic." To this end several main influences working together must be distinguished: —

First, the guiding personalities of the two expanding military empires had changed, bringing Germany and Russia under the dynastic control of less wise heads and less capable hands. The intentions of a vain Kaiser and a weak autocrat were not evil, but advanced civilisation was fatally perverted by the glittering survivals of mediævalism in government.

Second, the relations of the Great Powers were altered, making for less stability and increased armaments.

Third, a new era of naval and mercantile expansion was opened.

Fourth, the interaction of politics and economics became more intense and more universal.

Fifth, to the almost complete partition of Africa — which itself had threatened war and inflamed national antipathies — was added the full extension of colonial and commercial rivalries to the far more dangerous sphere of Asia; especially to the Far East, after the rise of Japan and the overthrow of China. This finally brought all the Powers, including America, on the scene together. The ultimate consequences, in unexpected ways, were decisive for the fate of the world.

EUROPE AFTER BISMARCK — WILLIAM II AND NICHOLAS II

Let us now trace the events bringing these factors into simultaneous play. The fall of Bismarck as a world-event was a far-reaching disaster. A giant of craft and skill he had maintained a complicated system of international equilibrium. It vanished with him. His faults were massive; in foreign politics his sagacity was surpassing. While creating the Triple Alliance to which Britain was friendly, his Reinsurance Treaty with St. Petersburg balanced Russia against Britain and maintained the real isolation of France for all purposes of *revanche.* Bismarck had made the Prussian crown all-powerful despite the forms of a Constitution too largely an adroit sham. It was his self-prepared punishment that he could be dismissed in a moment without reference to the German people. In the prophetic despair of his soul, after the Ides of March, 1890, he knew that the master who had dropped the pilot would wreck the ship. The Reinsurance Treaty lapsed. The new Kaiser and self-ruler was surrounded by favourites who thought that a consolidation of the Russo-French alliance was inevitable. Their counter-schemes promoted what they feared. An original germ of tragedy was in this situation. The world was disquieted. Obviously William II, gifted and rash, mystical and vain, meddling and demonstrative, was neither a solid character nor a safe temperament. How untrustworthy the character, how perilous the temperament, were never guessed until his secret correspondence with the more honest, more unhappy Tsar was recently revealed. Full of anti-British feeling from the beginning, as we now know, his policy nevertheless seemed at first pro-British, guided by the desire for more security

against France and Russia. Apparently cordial to England, visiting his mother's country frequently, he drew closer to Austria-Hungary and bēcame the patron of Turkey.

The fateful change began in 1894 when he had reigned five years. The course now adopted soon altered the whole European and Asiatic system. The aim was to achieve super-Bismarckianism without Bismarck — not only to revive the Iron Chancellor's reinsurance method but to extend and improve it by working both with France and Russia. M. Gabriel Hanotaux, the new and remarkable Foreign Minister at the Quai d'Orsay, was ready for colonial coöperation against England in Africa. Russia was ready for similar coöperation in Asia. In November the accession of the new Tsar, Nicholas II, was the most significant personal event in the world since the Kaiser himself had mounted the throne. Between these two began a dubious intimacy dexterously based by the German Emperor on encouragement of the Tsar's ruling motives — his ambition to complete the Trans-Siberian railway by carrying it to warm water on the Pacific Ocean, and his filial determination to maintain, like his sombre, immovable father, the autocratic system. As a further lure the Kaiser's private letters were saturated with anti-British suggestion. A Machiavelli minor in his means, merely exaggerating a common practice of many sovereigns and diplomatists in his day, William II believed that he was serving as a divinely appointed instrument the most sacred of purposes — the greatness of Germany and the prosperity of its people.

ENTER JAPAN — FROM SHIMONOSEKI TO KIAOCHOW AND PORT ARTHUR

To complete our understanding of 1894 as a year of significance like a landmark, we must remember that the summer had seen an epoch-making thing. The Far East had become the scene of a startling war on the question of Korea, further destined to play a strange part in causing larger and larger wars. Young Japan, yet an unknown quantity in arms, had attacked the Chinese Empire — a monstrous bulk but weak. The result changed all speculation on the future of Asia, and soon worked wider. Peking had looked upon the modernised islanders with overweening fatuity. Local claims were the pretext, but it was a conflict between two types of civilisation, an ancient and a new. The West expected China, in spite of initial reverses, to crush a slight, presumptuous antagonist by slow-gathering weight. It was a delusion. There was no such capacity in reserve. In seven months Japan had shattered the forces of China by land and sea, compelling Peking to purchase an abject peace by abandoning Korea and yielding to the conquering islanders a commanding position on the mainland itself with Port Arthur as a stronghold.

This meant, before the new Tsar had been six months on the throne, a death-blow to hopes whereon Nicholas II had set his heart. He loathed and despised the Japanese. On his travels as heir-apparent he had escaped assassination by a Japanese fanatic. He had turned the first sod of the Vladivostock section of the Trans-Asiatic railway. He had been President of the Imperial Committee for promoting that vital project. Now Japan threatened to bar Russia's way to warm water in the Far East as Turkey had blocked it in the Near East. The ancient barrier in Europe was irksome enough. The sudden obstacle on the Pacific side must be removed with a rough hand.

At once, in the spring of 1895, the new diplomatic combination tacitly formed in the previous year came into strong play. Russia, Germany,

and France vetoed the Treaty of Shimonoseki. Japan, ordered to evacuate the mainland, had perforce to obey and wait for a day of reckoning. Burning for vengeance and alarmed by a menace to her future existence, but masking her feeling with impassive composure, she concentrated in the following years upon doubling her army and trebling her fleet. This episode was *welt-politik* with a vengeance, and the germ of all tragedy. The Shimonoseki crisis was of crucial importance in modern history. Part of the cynical sequel may be conveniently anticipated in this place. Never was the maxim of "*Ote-toi de là que je m'y mette*" applied with franker brutality. Russia, as a first payment for services rendered, was granted the right to run the Trans-Asiatic line straight across Chinese territory to Vladivostock. This already meant in effect the cession of Northern Manchuria. France received some small gains at the southern extreme of the Celestial Empire. Germany's advantage did not at first appear. But on April 26, 1895, immediately after the *coup* of the Three Powers, the Kaiser had written to the Tsar in one of the early "Willy-Nicky letters":

"That is clearly the great task of the future for Russia to cultivate the Asian Continent and to defend Europe from the inroads of the great yellow race. In this you will always find me on your side. . . . I will gladly help you to settle the question of eventual annexation of portions of territory for Russia; you will kindly see that Germany may also be able to acquire a port somewhere it does not *gêne* you."

With a view to such a port for Germany, thorough surveys of the Chinese coast were carried out. Kiaochow was found to be the ideal naval and commercial base. A lucky murder of missionaries in its neighbourhood enabled it to be promptly annexed in November, 1897. A few weeks later, Russia seized Port Arthur, which Japan had been compelled to renounce on the plea of Chinese integrity. Port Arthur was unmistakably meant to be the warm-water terminus of the Trans-Siberian line. From that moment an ultimate life and death struggle between Russia and Japan was almost a certainty. Britain took Wei-hai-wei as a watching position between the new Russian and German bases. From 1898 the end of the century was filled, in the Far East, by bitter squabbles between the European Powers and fierce scrambles for railway concessions and spheres of influence. The break-up and partition of China was threatened. We shall see how internal chaos and revolt and international intervention were the sequel in China — with a sinister repercussion upon the rest of world policy.

BEGINNINGS OF ANGLO-GERMAN ANTAGONISM

Buttressed for the moment, as it seemed, by France and Russia, believing himself to have attained a more brilliant position than Bismarck had ever occupied, the Kaiser rose to a new height of self-confidence and began more openly to reveal himself. In the destined year 1895, he made "world-policy" a catchword, inspired the German people with the thought, and bestirred himself to translate it into action. At the beginning of that year he formally placed himself at the head of a new naval movement. From the first moment of his reign he had resolved to create for Germany a great sea-going fleet and to do for his navy what his grandfather had done for the army. Hitherto he had been thwarted by popular indifference, and by a Reichstag with no enthusiasm for increased taxation. Now events were to force his own intentions and sweep him upon a vehement current of popular support into the most hazardous of his undertakings. At the end of this crowded inaugural year of world-policy came the Cleveland manifesto and

the Jameson Raid to bring America and Africa into the widening picture with Asia and Europe.

Jameson's irruption into the Transvaal was a puny fiasco, but like the Shimonoseki *coup* it was another step toward a world-tragedy. By the Kruger telegram the Kaiser rushed in where a Bismarck in his prime might fear to tread. We have only very lately learned that his diplomatic challenges in London were such that war between Britain and Germany was only missed by an ace. He not only congratulated the Boer President on his success in squelching the Raid, but he challenged in effect the whole British position in South Africa where two races inextricably mingled were bound to find some peaceful means of federation or to fight to the death. Had the Kaiser already possessed his relative naval strength of 1914 or anything like it, the Kruger telegram must have led to a World War at once, France and Russia fighting for their different African and Asiatic objects on the side of Germany against Britain. As Germany was still impotent at sea, her friends in the Shimonoseki combination at the beginning of 1896 refused to form an anti-British *bloc*. The spectre of Alsace-Lorraine rose like Banquo's ghost to disperse the banquet.

The Kruger telegram was an act of infatuated misjudgment, characteristic of the new Imperial system from Bismarck's fall to the world's catastrophe, but it was no mere act of personal impulse. It was drawn up by Baron Marschall, the Foreign Secretary, and approved by the permanent Under-Secretary, Herr Holstein — that "Grey Cardinal" behind German foreign policy — in the presence of high naval officials. Now, as upon a still more momentous occasion, many years later, Baron Marschall's reasoned incitements spurred the Kaiser's rashness. Between nation and nation this case was far more serious than a flash of personal impulse. In the previous year two German warships had been sent to Delagoa Bay — the Portuguese door to the Transvaal — as a hint to Great Britain that Germany was henceforth to be reckoned with in this sensitive region. Before the Kruger telegram was dispatched, Portugal had been requested to allow a small German landing party to march from Delagoa Bay to Pretoria. This would have meant immediate hostilities between Britain and Germany, but fortunately Portugal returned no answer. The Kaiser and his advisers seem to have been inexplicably confident, as on later occasions, that Britain would back down if confronted by an accomplished fact. Instead, that slower country replied with volcanic wrath to the German outbreak of popular passion. Irreparable mischief was done. War in South Africa was made more probable. Germany had encouraged the Boers; yet could do nothing to help them. The British "flying squadron" was a naval hint to which 20 German army corps could not retort. After years of disappointment the Kaiser's desire for a great fleet was assured of popular support. But the price was portentous. Between Britain and Germany was opened a gulf of hostility never bridged. The British felt that Queen Victoria's Imperial grandson had been revealed in a flash of lightning as one whose enmity might be deadly if his weapons ever became equal to his will. The Germans, navally helpless for the time, waited and worked for a day of power and reckoning as against England; just as the Japanese waited for their chance against Russia; and as the French, though wearied by a quarter of a century of hope deferred, still dreamed in their inmost hearts of a chance against Germany. The ill-omens were multiplied.

KRUGER — FASHODA — CUBA — NEW NAVAL ERA

In 1896 the Kaiser stimulated still further the new consciousness and aspiration of his people by proclaiming: "The German Empire has become a world-empire." It was not advisable to apply immediately the naval moral of the Transvaal fiasco. If Jameson, who was to prove on all other occasions so honest and wise in making amends, had allowed himself to become a fool at filibustering, William II had been equally as foolish as a marplot of diplomacy. A considerable interval of public quiescence passed while official activity was rife in Berlin. In the summer of 1897, Tirpitz became the redoubtable organiser of German sea-power. The first Navy Bill, proposed in the autumn of that year, became law in the following year. It was a model for its successors, in so far as it laid down for years ahead a programme to be automatically completed by annual instalments, exempt from such fluctuations and uncertainties of party strife and financial provision as are characteristic of the English-speaking democracies.

A coincidence of unrelated events led some European observers to believe erroneously that the new German naval movement was directed against the United States. In the spring of 1898 — shortly after the seizures of Kiao-chow and Port Arthur — the "Maine" blew up in Havana harbour, and the Spanish-American War broke out. The United States in its turn appeared upon the stage of world-policy. In a few months, the remnants of the oldest colonial empire in the world, dating from Columbus, had disappeared. Historic Spain, wrapped at that time in an inert dream of the past, had fallen more helplessly before the United States than China before Japan. America was established as a World-Power not only in the West Indies commanding the Panama Isthmus, but in the East Indies many thousand miles from her shores. The further naval development of the United States was inevitable. Australia and New Zealand rejoiced to have the power of the United States planted on the Philippines between the English-speaking antipodes and the yellow races like the sands in number. Russia also had been brought into close proximity to the Chinese question, which at that time was the chief problem of the world's politics. These were further fateful events in the last crowded years of the nineteenth century. Henceforth it was easier for Washington to abjure entangling alliances than to escape entangling circumstances.

The Spanish-American War gave a strong push to the naval movement in Germany. The friction between the American and German admirals in the Philippines had been momentary and trivial in itself. But the annihilation of the Spanish squadrons at Santiago and Manila, with the consequent transfer of territories in both hemispheres, was held up to the German people as a spectacular lesson upon the peculiar dangers of naval weakness in the modern world and the eminent advantages of sea-power.

That moral was held to be emphasised with vivid force by the simultaneous Fashoda crisis between France and Britain. M. Gabriel Hanotaux, the French Foreign Minister, who readily acted with Germany, had sent the Marchand mission to the Upper Nile despite the grave British declaration that such a lodgment on the head-waters of the river of Egypt would be regarded as an unfriendly act. At the pinch, France found no more support from other Continental Powers than Germany had received after the Kruger telegram. Again, "sea-power was trumps" — at Fashoda as at Santiago and Manila. The naval agitation began to saturate the German mind with this impression. The relative strength of Britain at sea was at that time unassailable with any prospect of success. No Power wished British naval

predominance broken down in order to increase the strength of any more military rival. There was still no basis for a "Shimonoseki Combination" against Britain. The Third Republic withdrew its flag from the Upper Nile. M. Hanotaux's system of association with Germany suffered its death-blow. It was replaced under M. Delcassé by a very different and far-reaching method pursued for years afterwards with a patience and profound discretion of which German diplomacy under William II had become incapable.

The garish blunder lay in connecting the beginnings of the *Hoch-see Flotte* with a disquieting *coup* like the Kiaochow seizure, and with resounding proclamations suggesting larger ambition; while exciting naval enthusiasm by stirring up popular passion "from above" in a way that could only end by rousing the vigilance and precaution of those peoples against whom a great German fleet might possibly be directed.

The justice of history must always admit that the German case for naval development was very strong. World-economics stimulated world-policy. After the universal depression of the early nineties, the commercial rise of Germany, as of the United States, was upon a scale of grandeur. Hamburg was the chief port of the European continent, and in 1896, for the first time, the bulk of its tonnage was German and not British. The marvellous progress of German shipping in extent, technique, and enterprise revived proud national memories of the Hansa, and seemed to justify brilliant hopes. The sea-borne commerce of Germany trading with all parts of the globe, was only second in volume to that of Britain; and imports of food and raw material were necessary to a nation whose manufacturing cities were growing with American rapidity. These maritime and industrial interests might be ruined at one fell swoop in time of war. By comparison with the territories of the British Empire, the United States, Russia, France — even with the Dutch East Indies and the Belgian Congo — the Germans were not satisfied with their share of the earth. The Kaiser's people felt a young people. Yet without a formidable increase of naval power there could be no considerable chance of further acquisition. The British navy, hitherto a shield to cover German interests, might become a sword to smite them. Grumbling and girding, Bismarck had preserved cool, good relations with Britain. The historic friendship between the two peoples had been deeply injured in the middle of the last decade of the nineteenth century, and was soon to be destroyed.

THE BOER WAR AND EUROPEAN DIPLOMACY

Steadily the South African situation drifted towards war, each side believing itself to be in the right. The two little Dutch Republics, arming heavily since the Jameson Raid, had built up a military predominance. The rustic Boers, afraid of being swamped, refused to concede political equality to a large colonial element very mixed but mainly English-speaking — the new mining population and town-dwellers of the gold-fields. Yet the Dutch in the older communities under British sovereignty enjoyed political equality as a matter of course. These were untenable conditions. The whole region was destined to form under one flag or another such a Union as has since been achieved. The choice for all South Africa lay between Dutch ascendency with German support, and British suzerainty. Had the struggle been deferred the former solution might have been the sequel. The Northern Republics were prepared to fight at any cost for absolute independence; Britain was as determined to assert that general sovereignty in South Africa which she believed the disputed treaties conferred. The ultimate alternative

was the expulsion of the British flag from the whole sub-continent. By the summer of 1899 war was inevitable, and in October it broke out. The struggle raged for two and a half years. In a way little realised at the time, it became another tragic factor in the whole world's destinies.

The last few months of 1899 were charged in secret with world-issues such as seldom had been at stake. Britain and her cause were loaded with odium throughout the world. The war was easily imagined as the heroic stand of a handful of Biblical farmers against the forces of an empire manipulated by unscrupulous financiers. This was a telling caricature, and most of mankind took it for truth. But in Germany, above all, anti-British feeling exploded with an unparallelled violence which completed the breach between the two peoples. Had Germany possessed already a fleet strong enough to face the risk, it might easily have become at this time or later the spear-head of a European Coalition against the British Empire. As matters stood the German Government, after patronising the Boers, could do nothing for them.

The inward relations between Berlin and St. Petersburg at this critical time are still obscure in the sense that we have no direct revelation of the official secrets. What we know is significant enough. The Continental *bloc* against England was mooted in Paris — probably on the suggestion of Berlin — by the Tsar's Foreign Minister, Count Mouraviev, a personage of notorious levity. Russia hoped for gains in the direction of India, while England was plunged to the neck in South African difficulties. The price desired by M. Delcassé was Alsace-Lorraine. Germany's condition, on the contrary, was that France should guarantee the possession of Alsace-Lorraine by its conquerors. It was perhaps the highest opportunity of the Emperor William's life, but he was not of the calibre to seize it. As a diplomatic chess-player following Bismarck he was devoid of the elements of skill. He would not sacrifice a piece to win a game. It was believed, however, in Berlin that the British system might receive its death-blow in South Africa and that at least it would emerge from the struggle as a weakened and decaying empire. A favourable moment must be utilised. Germany must be prepared for all eventualities. Yet Britain must be soothed.

To the bitter dudgeon of his subjects, the Kaiser paid a celebrated visit to Windsor and London a few weeks after the Boer War had broken out. He never had been more genial and persuasive. He enlisted English official support for the Bagdad railway — part of the magnificent project of an inter-continental line stretching from the North Sea to the Persian Gulf. The British Cabinet was attracted. Immediately after the Imperial visit, Mr. Chamberlain, the most powerful Minister of the day, made the famous speech in which he urged an alliance between Britain, the United States, and Germany, as the proper hope and safeguard of the world. Queen Victoria's Government still dreamed vainly of German support against Russia, and thought the project of the Bagdad railway would assist that purpose. It was to work out to a very different result — then as little imagined by British statesmen as by the Kaiser himself.

GERMANY DOUBLES HER FLEET — THE " PREAMBLE "

In a few days the other and more portentous side of German policy was disclosed, and in the mind of the British people — though not yet aware of the " Willy-Nicky Letters " nor of the recent *pourparlers* for a Continental League against Britain — conviction deepened that the Kaiser was not a safe friend. At the moment of British disasters on every side in South

Africa, Count Bülow introduced the new German Navy Bill which proposed at a stroke the doubling of the fighting strength fixed in 1898. The method was too clear, and would obviously be employed again at another suitable opportunity. The world-renowned Preamble ran:

"In order under existing conditions to protect Germany's maritime trade and Colonies, there is only one means: Germany must possess a battle-fleet so strong (*muss eine so starke Schlacht-flotte besitzen*) that a war would involve dangers of such a kind even for the mightiest of naval antagonists as to bring its own power into question."

The Preamble went on to explain that any probable antagonist would be compelled to divide its squadrons throughout different regions of the world, so that even a German fleet, inferior in total strength, might be strategically superior at the chief centre of action. These words left no doubt. More fateful words were perhaps never uttered in history. They were a bid for a naval supremacy in the North Sea and for succession to the British Empire whose dissolution from various internal and external causes — including ultimate war with Russia and France — was confidently anticipated. The immediate struggle in South Africa was itself expected to inflict a mortal injury. As a diplomatic method, the unnecessary sensationalism of the Preamble was enough to make the Iron Chancellor groan in his grave. At the outset of their most perilous adventure, the Germans with both hands had rung the alarm bells in the ears of England. But the sense of triumphal energy and self-confidence which then filled the German nation and their Imperial leader is not easy for historical retrospect to describe. All the superficial evidence seemed to be in their favour. Never were a people or its rulers more deficient in the sober estimate of underlying forces. We have seen that their real case for naval development was very strong. The demonstrative rashness of their procedure was to be fatal. William II had begun the total destruction of Bismarck's diplomatic basis. He was now to lose more in the sphere of alliances and understandings than he could ever gain in ships.

THE FATEFUL END OF THE NINETEENTH CENTURY

The new *Flottengesetz* became law at the beginning of the closing year of the nineteenth century. Up to the very end of that last year, signs and portents thickened. Chinese trouble burst into flame. Since the Japanese War there had been a seething desire for reform. The great Empress-Dowager had deprived the visionary Emperor of his vermilion pencil. The seizure of Kiaochow and Port Arthur, the scramble of alien exploiters for concessions, had roused anti-foreign feeling far and wide. The corruption and incompetence of the Manchu Court were incurable. The Boxer rebellion broke out. Peking was presently cut off from the sea. The German Minister, Baron von Kettler, and M. Sugiyama, Chancellor of the Japanese Legation, were murdered. The Legations were besieged. Their fall was feared, as well as the massacre of the foreign Ministers and refugees — a Sicilian vespers of the yellow world secretly instigated by the Empress-Dowager and the extreme Manchu faction. In all the hundred years of nineteenth-century politics, no wilder, more fantastic episode had been known.

This glaring sidelight, however, did more than anything before it to reveal the nature of the new age of world-policy. All the Great Powers were brought into action together, and the United States found itself with the rest. After the failure of Admiral Seymour's first attempt to relieve Peking — with a small world-force including American and Japanese, as well as Russians, French, Germans, Austrians and Italians — strong reinforce-

ments had to be awaited. Common action had been delayed by friction and jealousies. Japan was nearest, strongly urged by the British Government to act. This was distasteful to Russia and Germany alike. Early in July the Japanese Government decided to send two divisions. A month later the relief column of 20,000 men was on the march, and on the afternoon of August 14, after two months of bravery and terror, the Legations were delivered. The repute of the civilised Powers was stained by the wholesale looting of Peking. Count von Waldersee had been recognised at the Kaiser's wish as a grandiose generalissimo of the nations. With a German force of 20,000 troops — a marked episode of world-policy — he arrived too late to play that chief rôle in the Chinese drama for which he had been cast.

The harmony of the Powers broke up in 1900 as soon as the military emergency had been met, and in Far-Eastern affairs the very end of the old century left another evil legacy to our own. The disorders had brought Russia into military occupation of Manchuria, and she was determined to keep it. In December the Tsar's agents extorted from the Manchus a preliminary agreement by which their ancestral province became a Russian Protectorate in all but name. This policy pointed to ultimate war with Japan. It was not yet realised that such a conflict in Asia, however it went, would have a far-stretching influence upon Europe and upon all world-affairs.

Meanwhile Lord Roberts had swept through South Africa, breaking up the Boer armies and occupying their capitals. A long and dreary guerilla warfare in these spaces had yet to be faced; but the British were already assured of final success, despite the difficulty of managing a heavy and thankless campaign 7,000 miles from their island-base. Nearly all Germans, then and long afterwards, refused to believe that the end could be anything but a virtual British defeat and political surrender. The new naval movement was pushed on with increasing vigour and ability. Popular imagination was seized by the Imperial watchwords "a place in the sun"; "our future lies on the water"; "bitter is our need of a strong German fleet"; "I will not rest until I have brought my navy to the height whereat my army stands."

While the Kaiser dreamed of supremacy in the North Sea, the Tsar dreamed of a Far-Eastern supremacy stretching to the Yellow Sea and commanding North China. Japan was alarmed for her existence. The United States was concerned for the open door. At Damascus in 1898 the German Emperor had capped his special patronage of Turkey by proclaiming himself the protector of Moslems throughout the world; and now the Bagdad railway project promised to become the strategical instrument of this extensive gospel. It introduced a secret but mortal discord into Russo-German relations. Though French feeling had never been more bitterly hostile to England than during the Boer War, French statesmen began to foresee dimly the possibility of new conditions, even new combinations, which would make the recovery of Alsace-Lorraine no longer a hopeless cause. The prospects of the British Empire seemed obscure and even precarious. The Tsar's Peace-Rescript, very mixed in its origin, had worked out to nobler purpose than light-minded worldlings like Mouraviev intended; but the ideals of the Hague Conference and Court were before their day. Amidst these conflicts and armaments, ambitions and fears, appetites and dreams, open movements, cryptic intrigues, and rival purposes intertangled throughout the world, the nineteenth century ended. It had sown far and wide the dragon's teeth.

TWENTIETH CENTURY OPENS — QUEEN VICTORIA'S DEATH — BEHIND THE SCENES — FAILURE IN 1901 OF LAST EFFORTS FOR AN ANGLO-GERMAN ALLIANCE

New Year's Day, 1901, was hailed by the Teutonic race with sanguine enthusiasm as the dawn of an age of promise. The feeling was perhaps over-expressed by a spokesman like General von Liebert when he declared later that the twentieth century would belong to the Germans. But the older theory that the English-speaking races and the Russians were destined between them to rule the earth and its future was no longer accepted. Rather it was more and more believed that partly by the pressure of accumulating power, partly by the influence of commercial penetration, the Teutonic stocks in Central Europe, increasing in numbers by a million a year, would create somehow a world-empire stretching to the East. The second centenary of the foundation of the Prussian Kingdom was celebrated on January 18. The marvellous expansion of the Hohenzollern system from the tough little nucleus of Brandenburg to the headship of a united Germany, to military and commercial predominance in Europe and the Near East, and to maritime progress in all seas, seemed to make reasonable the larger visions of further achievement.

Just four days later, the Emperor's grandmother, Queen Victoria, died after the 64 years which had been for her people an unprecedented reign of long success and prosperity. Was this the sunset for Britain and the sunrise of Germany? The critical negotiations between London and Berlin during the next few months went far indeed to give the answer and to decide finally the future relations of the two peoples, though in ways hidden from the public knowledge of either. The Emperor hurried to the death-bed of the old Queen. His visit deeply moved the whole British nation, and when in his red cloak he rode through London behind the low gun-carriage, draped with the Union Jack, that bore Victoria to her grave, there was a wave of memories and regrets. It was a chance for reconciliation such as would never come again.

It was seized by British statesmen. They saw that the days of "splendid isolation" were over unless a European combination against England were to become inevitable. They had to link up with one side or the other of the Continental system. They undertook strenuous efforts to arrive at an agreement with Germany. Again and again they had made open and private advances in this sense. Mr. Chamberlain, the most incisive and decisive personality among them, had been for several years the conspicuous advocate of a *rapprochement* with Berlin. Some of his chief colleagues were in emphatic sympathy. They believed they could carry the Cabinet for an epoch-making change in the British tradition throughout the previous 50 years — aloofness from foreign entanglements. Even before Queen Victoria's death and the Kaiser's visit, the Wilhelmstrasse had been sounded. It was even suggested that with British aid Germany might be provided in Morocco with one good "place in the sun." The Wilhelmstrasse was cool, cynical and evasive to the chagrin of its London agents who dreaded the evident under-estimate of British reserves and the profound psychological misjudgment of the British temper. At the moment the Kaiser was irritated by Russia's high-handed proceedings in Manchuria. But in reality the Wilhelmstrasse under Bülow and Holstein had already made their choice in favour of the Tsardom, and they carried the Emperor with them. It is, indeed, improbable that his own views were ever seriously divergent.

These negotiations went on very busily from March to the end of May, 1901, and they have been well called a turning-point in the history of the



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H. M. KING GEORGE V.

world. Germany was possessed by the belief — it was the foundation of her whole foreign and naval policy at this time — that Britain was bound at no very distant date to be involved in war with Russia, perhaps also with France; that this conflict would shake, if not break, the British Empire; that Germany, guarding neutrality in the beginning, would be the arbiter in the end, able to dictate terms to both sides, perhaps to secure dazzling gains by land and sea without firing a shot. At no price then obtainable would Germany commit herself to a position which might compel her to fight Russia in Europe for the purpose of supporting Britain's Asiatic interests. This was no mere Machiavellian plan. It was not indeed the deepest, surest conception. But it was an intelligible and defensive policy if it had been consistently pursued. It was so ill-managed that in the end it lost British support without winning Russian. Nevertheless, British statesmen in general had an insular and not a European mind. For long it was almost impossible for them to understand the historic and practical strength of the connection between Germany and the Tsars.

Chamberlain even complained that every suggestion made in confidence to Berlin was passed on to St. Petersburg. The Wilhelmstrasse would promise nothing more than benevolent neutrality in case England were involved in an Asiatic conflict. England's neutrality towards Germany was desirable but less important. The Dual Alliance, if embroiled with Britain, could make no attack on Germany. Believing that he held all the cards, the tone of Holstein at the Wilhelmstrasse was brusque and satirical. "England must come to us." Holstein ridiculed the suggestion that there was any alternative in the shape of peaceful settlements between London on the one side, St. Petersburg and Paris on the other. "If the British think they can go with Russia, let them try." King Edward's statesmen in their turn became sceptical and indignant. Yet for the last time they increased their concessions, and were ready at the end of May, 1901, for a defensive alliance on a basis of absolute reciprocity. But the dream faded and disappeared. There is a critical passage in the Eckardstein memoirs, which contains the detail of these transactions:

"Alfred Rothschild in a long letter to me dated June 14th, 1901 . . . says: 'Joe (Mr. Chamberlain) who dined with me is quite disheartened. He will have nothing more to do with the people in Berlin. If they are so shortsighted, says he, as not to be able to see that the whole new world system depends upon it, then there is nothing to be done for them.'"

In fact, the new German naval movement in conjunction with Far-Eastern dangers had made the situation such that the British and German peoples were bound to be friendly or hostile. British statesmen thwarted in these anxious approaches, turned to their alternatives with a resolution, patience, and skill which in a few years were to stagger Berlin. Before the end of the year, even Chamberlain, repelling sharp provocation, was turning his trenchant style against the German Chancellor in open controversy.

RUSSIA, CHINA AND GERMANY — THE ANGLO-JAPANESE ALLIANCE

Public events had already explained the fruitlessness of these secret negotiations. In the autumn of 1900 Britain and Germany, on lines which secured general international adhesion, had entered into an agreement to preserve the integrity of China. The British maintained that this instrument applied to Manchuria as well as to the Middle Kingdom proper. The Germans protested that they had meant it as a safeguard against separate British designs in the great Yangtsze valley, and that it had no point against

Russia in Manchuria. Count von Bülow's declaration in this sense spread the impression in England that the Wilhelmstrasse was bent on playing a double game and could not be trusted. This episode was big with consequences. The Far-Eastern question was becoming the overshadowing issue of world-policy.

Already, before the twentieth century was two months old, in February, 1901, Russia had endeavoured to secure from Peking an agreement establishing her complete ascendency in Manchuria. There was a wide revolt of Chinese opinion. Public feeling in Japan beat fiercely; most of the Powers protested, but more or less weakly for, as we have just seen, no real opposition was to be expected from Germany. At last the Russian Government withdrew its proposals for legal recognition of its ascendency in Manchuria, but for all practical purposes remained entrenched in that territory.

This situation led directly to that momentous event of the beginning of the century — the Anglo-Japanese Alliance. The immediate origins of that compact are singular. Mr. Chamberlain — never inclined to helplessness in any predicament — had as far back as March, 1898, suggested such an alliance after the German and Russian seizures of Kiaochow and Port Arthur. The idea slept for three years and was then revived in a very odd manner. Baron von Eckardstein, German Chargé d'Affaires in London, called on Count Hayashi, Japanese Ambassador, and urged that the only way to maintain Chinese integrity and the open door was an Anglo-Japanese alliance to which Germany might adhere. This latter attraction, Eckardstein explains, was a purely "personal suggestion of his own." We now know that Germany's adhesion was out of the question. That the Wilhelmstrasse desired the combination of Britain and Japan is certain. But whether the main motive was to check Russia; or to make more certain that Asiatic conflict on which the Kaiser, Bülow and Tirpitz were depending for the working out of their own plans; or whether the simple object was to make Russia more dependent on Germany — in any case it cannot even yet be determined with certainty.

Once started on German suggestion, the negotiations between London and Tokyo soon went forward in profound secrecy. The British saw no solid alternative. The Japanese handling of their side of the affair was masterly. Eckardstein alternately stimulating both sides, suggested to the British Foreign Office that if the British were not quick, Japan might make an alliance with Russia. Japan showed an apparent inclination in this sense. The cue of her diplomacy was to play off London and St. Petersburg against each other; and, confronting Russia with the draft of a treaty with Britain, to wrest from the Tsar's Government by diplomatic pressure advantages which otherwise could only be sought by the hazard of arms. If Japan could have secured a free hand in Korea, in return for leaving Russia a free hand in Manchuria, the Marquis Ito would have settled with St. Petersburg rather than with London. Ito reported that diplomatic prospects on the Neva were superior to those on the Thames. There has never been any convincing proof that Russia was prepared for adequate concessions in Korea.

It is in any case certain that the Ito mission to St. Petersburg was used as a lever on London by the Tokyo Cabinet in order to ensure the acceptance of important amendments fully recognising the Japanese claim to Korea. On this basis the long discussions were concluded and the Anglo-Japanese Treaty was signed on January 30, 1902. Its main article provided that if the defence of the Far-Eastern interests should involve them in hostilities with more than one Power, the high contracting parties would wage war and make peace in common. In case of one Ally being in conflict with any single Power, strict neutrality on the part of the other Ally would be enough.

THE END OF "SPLENDID ISOLATION" — A GREAT PEACE IN SOUTH AFRICA

This contract on equal terms between a western nation and a yellow race whose full capacity in arms was not suspected even yet except by a few, ranked as one of the remarkable documents in diplomatic annals. If its ultimate import was unguessed by anyone, even its immediate effects proved to be of more practical significance than had been expected. Britain had emerged from "splendid isolation" and, relieved from the worst dangers of the Asiatic situation, she could presently begin the greater work of revising her other connections and strengthening her safeguards in Europe. First, peace had to be restored in South Africa. The two and a half years' struggle was closed at last by the wise Treaty of Vereeniging leading up to the reconciliation of Britons and Boers as a whole and to the Union of South Africa, on the Canadian and Australian models, under the British flag. It was a pattern of constructive statesmanship after war, and soon proved to have been in its different way as important as the Japanese Alliance in strengthening the position of Great Britain and the Empire. The mother-country and the self-governing Dominions had fought shoulder to shoulder. It began to appear already as if the British Empire might not be displaced so soon or so easily as most Continental estimates at the outset of the century had supposed. King Edward's short reign, for instance, by comparison with what the Kaiser and his advisers had anticipated, was to be fortunate and even glorious; largely because of the gravity of the new dangers against which far-sighted precaution had to be taken. This was done with a steady and continuous sagacity which will always stand as a classic instance of good method in foreign affairs. Germany, on the other hand, with all her magnificent technical organisation, continued to be too self-confident and became more and more the victim of preconceived ideas which turned out to be delusions. Of Bismarck's searching judgment and inexhaustible dexterity, not a trace remained.

THE KAISER'S VISIONS OF A GENERAL ANTI-BRITISH COALITION

In London and Paris alike far-sighted thinkers had begun to advocate a *rapprochement* between France and Britain, rivals for the greater part of six centuries and bitter enemies in recent years. Baron Eckardstein reports King Edward as having remarked as early as February, 1902: "We are being urged more strongly than ever by France to come to an agreement with her in all colonial disputes, and it will probably be best in the end to make such a settlement, because Britain only wants peace and quiet and to live on friendly footing with all other countries." This idea made itself felt more and more in its atmosphere, though it made little practical progress for more than a year. The German Emperor, meanwhile, in his private correspondence with the Russian autocrat, was extolling the growth of his own fleet, and seeking to excite the Tsar's prejudice against Britain:

"The behaviour of the Foreign Power at Koweit sets into a strong relief the enormous advantage of an overwhelming fleet which rules the approaches from the sea to places that have no means of communication over land, but which we others cannot approach because our fleets are too weak, and without them our transports are at the mercy of an enemy. This shows once more how very necessary the Bagdad Railway is, which I intend German capital to build. If that most excellent Sultan had not been dawdling for years with this question the line might have been begun years

ago and would now have offered you the opportunity of dispatching a few regiments from Odessa straight down to Koweit and then that would have turned the tables on the other Power." (The "Willy-Nicky Correspondence," January 3, 1902.)

Later in the year the Kaiser writes as if assured not only of the solidarity of Russia and Germany against Great Britain, but of a general diplomatic combination of Europe in the same sense.

"We must look at our two navies as *one* great organisation belonging to one great Continent. For as the rulers of the two leading powers of the two great Continental combinations, we are able to exchange our views on any general question touching their interests, and even as we have settled how to tackle it, we are able to bring our Allies to adopt the same views, so that the two Alliances — *i.e.*, five powers — having decided that peace is to be kept, the world must remain at peace and will be able to enjoy its blessings." (September 2, 1902.)

This letter was signed "Willy, Admiral of the Atlantic." France was not to be so easily taken in tow, nor Alsace-Lorraine to be so lightly renounced. The British people felt they were in danger, and in fact they were in more danger than they knew. If the German people themselves had known the tone of this secret correspondence they would have been less surprised by the subsequent moves which turned all the diplomatic tables.

VENEZUELA — ROOSEVELT — GERMANY AND THE UNITED STATES — THE PANAMA CANAL

Opinion was widely confused for a short time by an interlude which seemed contrary to the general tendency. At the end of 1902 the German Government delivered an ultimatum to Venezuela. The flamboyant dictator Castro, snapping his fingers at foreign Powers, had maltreated and defrauded their nationals. United States citizens had been mishandled like the rest. Germany, joined by British warships, took the lead in forcing redress by a blockade. This was thought to indicate a phase of better relations between the two Governments. It only illustrated the estrangement of their peoples. British public opinion for the most part protested vehemently against partnership with Berlin in action which could not be welcome to the United States, and might even be intended by the Wilhelmstrasse to drive a wedge between the English-speaking Powers. America was far from desiring to shield Castro, much less to encourage him in a *régime* of violence, corruption and repudiation of debts. None the less, the blockade was a dangerous precedent for the Monroe Doctrine.

The distinction was very quietly and firmly drawn at Washington, for American affairs were in strong hands. After McKinley's assassination, the powerful personality of Theodore Roosevelt appeared on the stage of world-affairs as President of the United States. This in its way was one of the creative accidents of history. A few months before he had thought himself sidetracked for life when elected Vice-President in spite of himself. For long he was to play a resounding part, and his accession was as significant as that of King Edward in the same year. By America's intervention the Venezuelan blockade was terminated and the question referred to the Hague Court. It decided that the European claims were just; but forcible European action was henceforth eliminated from American waters.

From this time, the Kaiser spared no pains to win the good-will of the United States, their President and their distinguished citizens. Though his methods were not always fortunate, he had considerable success. Immedi-

ately after the Venezuelan affair, Prince Henry was sent on a voyage of conciliation. The "exchange of professors" followed, and this was the admirable idea of William II himself. The new German Ambassador at Washington, Baron Speck von Sternburg, was married to an American, and he was often reproached by Junkers and other reactionaries for seeking popularity by methods which vulgarised the traditions of German diplomacy; but there is no doubt that Sternburg rendered valuable service to his country.

The practical guarantees for the inviolability of the Monroe Doctrine were clinched soon afterwards when Washington acquired the right to make and control the Panama Canal. The United States, with Roosevelt at its head, was a Great Power for all the world to reckon with and destined for a part it little dreamed. A considerable degree of public opinion in Germany believed that America would help them, directly or indirectly, in a struggle with England. Though the inwardness of dynastic policies in Europe remained for long unsearchable, events were to prove that the ideals and aims of the American Republic and the Hohenzollern Empire were not the same.

KING EDWARD — BRITISH REVIVAL — THE ENTENTE CORDIALE — THE FIRST CHECKMATE

It is probable that the tenor of the "Willy-Nicky Correspondence" was known to the British Court. The Venezuelan blockade was no sooner over — the last episode of that Anglo-German comradeship in arms which had been a tradition of centuries — than efforts changing the whole system of European diplomacy began in earnest. In the spring of 1903 King Edward made his first European tour. It was a political demonstration like no appearance of a British Sovereign abroad for more than 40 years. It was another sign that the old order was changed. When Queen Victoria died, Britain in the Boer War was the most hated of nations. Her moral isolation was more complete than the political. Before the coming of King Edward, human, genial, shrewd, above all genuinely conciliatory in temperament and mind, Anglophobia began to lift on the Continent as a dark cloud rolls away. Appearing first at Lisbon, King Edward revitalised the oldest of British alliances, that with Portugal, a small nation, but the Atlantic outpost of Western Europe, and with a wide colonial empire surviving that of Spain. The long-standing German idea of acquiring the larger part of the Portuguese colonies in Africa was now checked, and was to be extinguished.

Next, the British Sovereign had equal personal success in Rome, where his civilian dress and simple retinue pleased the people by comparison with the helmeted figure amidst a military cavalcade presented by the German Emperor on similar occasions. This visit was another proof that Italy's adhesion to the Triple Alliance was no longer so firm as in Bismarck's time.

And now, after giving time for impressions at the two other Latin capitals to work, facing the critical enterprise of his whole life, King Edward went to Paris in the early days of May, 1903. No one knew what would happen. As Prince of Wales the King had been a favourite in the French capital, but in the previous ten years the colonial friction between the two nations, culminating at Fashoda, had repeatedly brought them to the edge of conflict; and afterwards the feeling against England had risen to a pitch of bitterness during the Boer War. A series of wise settlements had much improved relations between the two Governments, but in the Paris press and theatre and on the boulevards the habit of disliking and

ridiculing England was still strong. At first the balance of Parisian feeling wavered; then it soon bent on the side of the King; and within forty-eight hours, his gracious manners and above all his conspicuous homage to the French flag, proved irresistible. Doubt had changed to enthusiasm. This was the true beginning of the *Entente Cordiale* and one of the very notable hours of modern history. A few weeks later President Loubet was welcomed in London. King Edward as a constitutional monarch, unable to pursue any policy not authorised by his Ministers, had been a symbol for his statesmen, but a persuasive symbol.

The Governments of London and Paris now came to real grips in the momentous and not facile negotiations which filled the next twelve months. France agreed at last — and it was a hard sacrifice of sentiment — to recognise the established fact of Britain's position in Egypt; while Britain gave France in effect a free hand in Morocco, except on the coast opposite Gibraltar. This document was signed by M. Delcassé in Paris on April 8, 1904. It was a thunderclap to Berlin. If this compact were allowed to hold good, all that was left of the Bismarckian system might founder; the whole basis of German naval and diplomatic calculations might be shattered. Already the obstinate dream of a complete Continental *bloc* against Britain was destroyed. France and Britain were bound together by an agreement extinguishing their historic antagonism, sweeping away their differences in all parts of the globe, and basing their relations, instead, on broad grounds of common interest. Further, the Mediterranean effects of the *Entente Cordiale* must be such that Italy could no longer be reckoned as a sure member of the Triple Alliance which had been nominally renewed. Franco-British coöperation would be a factor to reckon with in the East and at Constantinople, in the Balkans, and across the line of the Bagdad railway.

And what else? If the British had settled with France, might they not settle with Russia, though amongst the fixed ideas of the German mind nothing had been more rooted than the theory of an inevitable conflict between "the whale and the bear"? What might now become of the confident assumption on which the Kaiser had staked all — as almost openly expressed in the Preamble of the Navy Bill — that conflict in other regions would compel Britain to divide her navy in a way that would give the German fleet, concentrated in home waters, a strategical superiority, enabling it to seize the mastery of the North Sea, the mastery of Britain and the mastery of the world. The sublime self-confidence of William II was shaken at last. Not for long. For the moment it was best to keep a bright face at a bad turn of the game. But the game was not yet lost. Berlin was soon sanguine that it would be fully retrieved. The next ten years were to be dominated by convulsive attempts to break, first, the *Entente Cordiale*, and then the Triple *Entente*. These challenges became more and more dangerous and were finally fatal.

THE RUSSO-JAPANESE WAR

To read the heart of affairs in the decade of history preparatory to the World War, the decisive influence of Far-Eastern affairs on Western destinies must be remembered always. Simultaneously, a new and graver era had been opened in Asia as in Europe. We must now turn our eyes away from Paris and London and towards the surpassing drama already opened on the other side of the world. The Russo-Japanese War had broken out. Blindly risked by the Tsar and evilly encouraged by the Kaiser — the word

is harsh but compelled by the historic evidence — it was in the long run to ruin both their dynasties and empires. No more impressive warning has been written by Nemesis upon the records. But at first, as the Fates often allow for the undoing of their victims, the stars in their courses seemed to favour Potsdam.

After Germany — amongst the other Powers — had withdrawn opposition to Russia in Manchuria, the latter, though on paper she had promised evacuation, in fact refused to quit. The Tsar's beloved and splendid enterprise, the Trans-Siberian railway, spanning a solid sixth of the whole earth, now stretched on to Port Arthur, intended to be the Pacific terminus of his Eurasian Empire. Japan was willing to make a broad compromise on a question which filled her with apprehension. Tokyo offered, in effect, on the lines of Ito's idea before the Anglo-Japanese Alliance, to recognise Russia's Protectorate of Manchuria, if St. Petersburg would recognise Japan's Protectorate of Korea. The Tsar's Government not only refused to consider with full seriousness this offer, but a wretched clique round Nicholas II, amongst other speculations, began to meddle with Korea itself for the sake of timber concessions on the Yalu. During the second half of 1903 and into 1904 the negotiations went on between Tokyo and St. Petersburg with increasing tension, while between London and Paris the negotiations for the *Entente Cordiale* were pursued. It is admitted that the Japanese tried by every means to come to a peaceful arrangement, but Nicholas II could not be induced to believe that they would dare to fight. Ten draft treaties were prepared in vain, one after the other, in the six months before hostilities. Strange, childish, hopeless mixture, as he was, of vacillation and obstinacy, of wavering will and infatuated delusions, the Tsar was devoted to peace, but he would not concede the terms that the ablest of his statesmen and soldiers, men like Witte and Kuropatkin, knew to be not only wise but imperative. And the sinister influence breathed from Potsdam.

"Willy" affected to warn "Nicky" that "the 'Crimean combination' (France and England) is forming and working against Russian interests in the East. The democratic countries governed by Parliamentary majorities against the Imperial Monarchs! History always repeats itself." (November 19, 1903.) Again: "I get a report that the Japs are clandestinely arming the Chinese behind your and my back, against us." (December 4, 1903.) Again, when peace or war hung in the very balance in the Far East, the Kaiser wrote a firebrand letter: "May God grant that everything may come off smoothly and that the Japs may listen to reason; notwithstanding the frantic efforts of the vile Press of a certain country (England), that also seems to have money left to sink it in the Japanese mobilisation abyss." (January 9, 1904.)

Korea, like a long arm, thrusts out towards the coasts of Nippon in such a way that a Russian mastery of the peninsula would be as deadly to Japan, as would be a foreign control of Florida to the Caribbean interests of the United States. While the negotiations dragged out interminably and fruitlessly, Russia was speeding out to the Far East more warships by sea and more regiments by land. On February 5, 1904, negotiations were broken off. For nearly ten years Japan, with concentrated energy and consummate discretion, had been preparing for the possibility of this crisis. A mysterious and perhaps formidable people, ancient yet renewed, was about to be put to the test. Was Japan a bubble to be pricked, or was she to emerge from combat with the vast Tsardom as one of the Great Powers of the world? Ten years before, the majority of mankind had expected China to win by slowly-gathering weight after initial reverses. Now a similar opinion in favour of Russia was generally held. The Russian view

was that the Japanese were "monkeys with the brains of birds." A few British officers, after close study, had formed the contrary opinion: that the Japanese were "Ghurkas — with brains." The Ghurka in fight is a cheerful tiger, but not clever. The Mikado's armies, framed on the German model, with modern uniforms and modern weapons, were directed by leaders who in their youth had worn chain armour amidst feudal conditions like those of the thirteenth century in Europe. For drama, history had known few things like it since Hannibal; and in this case, Europe, represented by its largest but least efficient race, was not to win.

THE ASIATIC TRIUMPH

Both sides had been instructed to fire without warning if an opportunity offered. The Japanese took the opportunity. On February 8 their torpedo boats made a daring attack upon the Russian warships in harbour at Port Arthur. The war was largely decided by this instantaneous assertion of naval superiority. The Tsar's damaged fleet was weakened by further alternating passivity and rashness. The Japanese, leaving as little as possible to chance, transported their armies to the mainland and disposed them with slow, meticulous care. On the Yalu, April 30, 1904, Russia was beaten in a first battle relatively as small and significant as Valmy, when Goethe wrote: "This day opens a new epoch of history." A few weeks later took place the battle of Nanshan, when the Japanese, by weight of numbers and contempt of death, stormed positions of enormous natural strength northward of Port Arthur. The immediate sequel was the isolation and investment of that fortress. Kuropatkin, the Russian generalissimo, was disastrously embarrassed by Imperial orders to relieve Port Arthur. Premature attempt ended in bloody failure and compromised the main campaign.

Kuropatkin himself well knew that initial loss of territory, though including Port Arthur itself, was nothing by comparison, and that it was necessary to refuse battle until Russia, depending on the limited facilities of a single-track railway thousands of miles long, had gradually accumulated in the north decisive superiority of numbers. The Japanese were painfully deliberate, but in spite of extreme difficulties caused by the ground and the weather, and equally in spite of some heavy repulses, the general advance of their converging columns was as sure as death. Kuropatkin, still meditating a conquering counter-stroke at some suitable time, fell back on broad and fortified positions at Liao-yang. There on the anniversary of Sedan — as the Mikado's officers told their men — the Japanese, under Marshal Oyama, after a week's fighting overthrew the Russians in a main battle. There were over 40,000 killed and wounded and the Japanese casualties were more than half the total. This time the Japanese had won their great victory with inferior forces. Their success was less than they hoped. There was no Sedan. Kuropatkin retreated towards Mukden in solid order.

Elsewhere through the autumn and winter the siege of Port Arthur went on. The defences, though defective to begin with, were soon terrific. Successive lines of wire entanglements, backed by numbers of machine-guns and the employment of hand grenades on both sides, foreshadowed the methods of the World War. The Japanese attacked with a sacrificial fanaticism as yet unknown to the whites. They were compelled to settle down to more gradual methods of eating their way into the defences. At the beginning of December, the Japanese stormed decisive positions looking down upon the harbour, and the fire of their howitzers soon destroyed or disabled nearly all the Russian warships. This was the turning point. On January 2, 1905,

the fortress surrendered. The Japanese had nearly 60,000 casualties and over 30,000 sick in the great siege, but after nearly eight years the Russo-German-French ultimatum which turned Japan out of Port Arthur after the Treaty of Shimonoseki, was wonderfully avenged.

The rest is soon told. In the north, Kuropatkin's strength was growing every day and in the October battle on the Shaho the Japanese, though pressing back their massive enemy in the end, did little more than foil Russia's hopes and hold their own. The winter stopped active operations. By the end of January, 1905, the Russians were at last in superior force and their offensive in a terrible snow-storm nearly won the battle of Sandepu. A few weeks later came the crowning conflict. Operations at the end of February led in March to the long battle of Mukden. In this huge grapple, fought across a front one hundred and forty miles wide, over 600,000 troops were involved. In the end Kuropatkin was once more compelled to retreat to the north; once more he drew off in fine order; the Japanese utterly failed in their efforts to envelop according to the ideal of their German teachers; but on land the results of this huge dull butchery proved decisive. The Russian casualties were nearly 100,000; the Japanese less than half that number.

The next and final disaster was at sea. For half a year Rozhdestvensky's fleet from Europe, carrying Russia's last hopes, crawled round the three continents from the Baltic towards the Yellow Sea. By the end of May the doomed Armada reached the apt scene of its fate in the Straits of Tsu-shima, between Korea and the Japanese islands. There it was outmanoeuvred and outfought by Togo, nearly all the Russian ships being sunk or taken. The Japanese victory was by far the most momentous naval event since Trafalgar. Nominally, Russia had still prodigious military masses in reserve, but she was morally exhausted because the war from beginning to end was against the instinct of her people.

AMERICA INTERVENES — THE TREATY OF PORTSMOUTH

America, a World Power permanently involved in world-politics, was now marked out as the acceptable arbiter. In June, 1905, President Roosevelt intervened. Both belligerents embraced his offices. In August, the little naval town of Portsmouth, New Hampshire, became the unexpected cynosure of international diplomacy. The resultant Treaty of Peace in September saved Russia from having to pay a ponderous indemnity, but entrenched Japan on the Asiatic mainland and made her the predominant Power in the Far East. She obtained all Korea, Port Arthur, Southern Manchuria, and half the island of Sakhalin; and thus, absolutely dominating the Yellow Sea, and enclosing the Sea of Japan, she achieved what is unquestionably, so far as geographical advantages are concerned, the strongest strategical situation possessed by any nation in the world.

This was amongst the outstanding events of all time. Japan henceforth by a marvellous exertion had to be reckoned amongst the eight Great Powers of the world and placed in the middle of this list, not at the bottom. Without disclosing fresh genius in the western sense, her people had shown themselves capable of dazzling personal heroism and of a solid collective efficiency. In the early years of the twentieth century an Asiatic power had vanquished a European empire by excelling it in political intellect as well as in modern weapons. A thrill of exultation and excitement passed through all native Asia: through China, through India, through Turkey; through all those races, forming two-thirds of all mankind, whom the white nations call coloured.

The leaven still works. The ultimate outcome is an enigma of the far future. The general results so far make for anarchy rather than order. Japan only amongst the non-white nations, shows a unique gift of political order and stability with cumulative progress in the assimilation of western science and technique.

"WILLY AND NICKY" — THE TSAR FOR THE GRAND ALLIANCE AGAINST BRITAIN — THE KAISER COUNTS ON TRIUMPH

We have now to see how these astounding results on the furthest fringe of Asia made directly for the ruin of Europe and a conflagration of the world. Wrong in every psychological sense with regard to foreign affairs, wrong in every antecedent calculation regarding the result of intermediate wars, whether in the Far East, South Africa, or the Balkans, the German Emperor and his people, though assuming that the Tsardom would be usefully shaken, expected the eventual victory of Russia in the conflict with Japan. William II, as we now know, had helped to launch Russia upon Japan at least two years too soon. For nearly twelve months or so, while the final issue hung in doubt, Germany was cautious and the Kaiser ingratiating. He took the tone of an only friend and sympathetic adviser, ceaselessly attempting to prejudice the Tsar against both France and Britain. France, almost driven to despair by the suicidal aberrations of her Russian partner and the temporary paralysis of the Dual Alliance for European purposes, was the more warily resolute to preserve neutrality, holding to the new *Entente Cordiale* with Britain as an anchor to windward. This trying policy was brought to the pinch in October, 1904, by the Dogger Bank incident. Rozhdestvensky's luckless Armada, obsessed from the start by the dread of Japanese torpedo attacks, was ready to shoot at shadows. On the night of October 24, when passing through the North Sea, a mad hallucination, like that of Don Quixote amongst the wine skins, led it to fire into an English fishing fleet with damage to humble vessels and loss of some lives. The British nation shook with anger. Its Government and the more responsible part of its Press remained cool. France was active in conciliation. Both Britain and France were resolved not to be drawn into the war. The incident was referred to a special international board of arbitration. But the Tsar was furious against England and displeased with French neutrality. William II telegraphed the following incendiary falsehood: "Heard from private sources that Hull fishermen have already acknowledged that they have seen foreign steam craft among their boats . . . so there has been foul play."

Under a similar impression the Tsar was actually led to accept the Kaiser's proposal for a new Continental Alliance. Nicholas II telegraphed four days after the Dogger Bank incident: "The only way, as you say, would be that Germany, Russia and France should at once unite upon arrangements to abolish English and Japanese arrogance and insolence. Would you like to lay down and frame the outlines of such a Treaty? As soon as it is accepted by us, France is bound to join." (October 28, 1904.) As we shall see, secret negotiations in this startling sense went on for months and came to a climax. They led the Kaiser to believe that in spite of the *Entente Cordiale* he had retrieved all; and finally won the great world-game. We soon find him suggesting (November 17, 1904) such a widening of the war as might leave neutral Germany supreme:

"Last not least an excellent expedient to cool British insolence and overbearing would be to make some military demonstrations on the Persian Afghan frontier, where the British think you powerless to appear during

this war; even should the forces at your disposal not suffice for a real attack on India itself — a pressure on the Indian frontier from Persia will do wonders in England."

GERMAN EMPEROR'S ZENITH — 1905 — TANGIER — DELCASSÉ'S FALL — BJÖRKÖ TREATY

The extraordinary plot now thickened fast until it exploded in a manner that shook Europe with the first clear menace of universal war. After the surrender of Port Arthur and the battle of Mukden, the sufficient defeat and temporary collapse of Russia were certain in the spring of 1905. The Tsardom was in the throes of a violent internal movement which foreshadowed the final revolution a dozen years later. Russia as a Great Power was crippled for a decade — perhaps for a generation. The Dual Alliance was paralysed; Russia's historic check on German action removed. The Kaiser thought the hour had come to throw off reserve, and to attack the *Entente Cordiale* openly and with a sledge-hammer. Count von Bülow first gave an ominous hint that France in Morocco was going too far. Demands presented by a French mission at Fez were assumed to be a plan not merely for the pacific penetration of Morocco, but for a protectorate amounting to veiled annexation. This was indeed M. Delcassé's purpose, fully accomplished in the sequel. His affectation of ignoring Berlin had been excessive and irritating, but he thought of himself as resisting a domineering veto on French rights. The Kaiser now undertook a southern voyage. Suddenly, on March 31, he made his thundering descent on Tangier, where he proclaimed that his visit meant the recognition by Germany of the Islamic sovereignty of the Sultan and the independence of the land.

For nearly twelve months Berlin had seemed to recognise the special position and interest of the Third Republic in the disorderly and backward Shereefian Empire lying next to Algeria. But Russia was now out of action. Morocco was the pretext — the aim was to smash the *Entente* by an ultimatum to France such as had never been addressed by one Great Power to another. France was staggered by the gravity of the menace and by the violence of an insult never afterwards forgotten or forgiven. Delcassé was nerved to resist; Britain was prepared with all her strength to support France if necessary. We now know that Europe stood on the brink of war. The Rouvier Cabinet yielded and accepted the German demand for an international conference on the Moroccan question. Delcassé resigned. The statesman who had held office for seven years — longer than any other Foreign Minister under the Third Republic — had been practically dismissed by a foreign Power. But his work and policy survived him. They were to destroy the Bismarckian system of diplomacy, once overwhelming. The Kaiser had only rivetted the *Entente* by hammering on it.

Just before Delcassé's fall, the Tsar's last fleet had been annihilated in the Far East. As Count Reventlow has revealed, many German military experts held that Germany then ought to have forced war and that William II, loud in words, weak in action, had thrown away an unparalleled situation. They believed that at this moment of the paralysis of the Dual Alliance, the triumph of the Kaiser's armies would have been swift and sweeping enough to establish once for all a German military hegemony over Europe. The chances in 1909 were unquestionably less favourable than in 1905; they were still less so in 1911; and least of all in 1914 when the Kaiser cast the die at last.

But in this summer of 1905 he believed that a further success and one even more astonishing, though secret, had completed his ascendency. Germany had already turned her eastern neighbour's troubles to profit by exacting a commercial treaty which all Russians thought rapacious. Further, since Nicholas II in his misinformed irritation after the Dogger Bank incident had offered to throw himself into Germany's arms, the Kaiser had vehemently urged the clinching of the compact. He insisted that France must on no account be taken into confidence. When confronted with the accomplished fact she would have to acquiesce. The feeble Tsar dallied and wavered, loath to betray his Ally, yet swayed by dire need of a period of assured safety. Personal feelings mingled. The Kaiser had seemed to be his only sympathetic friend abroad, and was giving him at this time excellent advice in favour of constitutional reforms in time to make the Russian people share with their ruler the responsibility for a peace of defeat. On July 24, 1905, at Björkö, Nicholas II with incredible weakness signed, without consulting France, the clandestine treaty of alliance against Britain. It was only seven weeks after Delcassé's fall. Well might William II believe that the stars in their courses were on his side. His exultation was unrestrained, his imagination unbounded. Shortly after his capture of the Tsar's signature he wrote of the Treaty as follows:

"In times to come it may not be impossible that even Japan may feel inclined to join it. This would cool down English self-assertion and impertinence. The 24th July, 1905, is a corner stone in European politics and turns over a new leaf in the history of the world. . . . Holland, Belgium, Denmark, Sweden will all be attracted to this new great centre of gravity. . . . They will revolve in the orbit of the great block of Powers (Russia, Germany, France, Austria, Italy) and feel confidence in leaning on and revolving around this mass." ("Willy" to "Nicky" July 27, 1905.)

Presently he goes still further:

"America will stand on the side of this combination. . . . The Continental Combine flanked by America is the sole and only manner to effectively block the way to the whole world becoming John Bull's private property, which he exploits to his heart's content, after having by his intrigues without end, set the rest of the civilised nations by each other's ears for his own personal benefit."

But the Tsar soon learned his lesson, and, recognising the tempter, he escaped from the snare into which he had been led. His Ministers, aghast, brought him back to his senses and his duty. He was always well-meaning, but fated to perish through feebleness of understanding and character. The tone of this disastrous correspondence was never so intimate again. The secret treaty remained of no effect and in due time was formally annulled. What William II took for Hesperian apples were Dead-Sea fruit. As "Björkö" had failed, Tangier was to fail.

DEAD-SEA FRUIT — ALGECIRAS — REVAL — KAISER'S CONTINENTAL PLAN BROKEN — HIS ALARM AND AWAKENING — GERMAN CRY OF ENCIRCLEMENT

The Algeciras Conference, won by Delcassé's overthrow, proved in 1906 an utter disappointment for Germany, and was, in fact, a heavy diplomatic defeat. Nearly all the participating Powers, including Italy, helped to confirm French supremacy in Morocco. The *Entente Cordiale* was consolidated. France and Britain exchanged military and naval views, with a view to concerting arrangements in case of need, and strengthened themselves against a

renewal of surprises like the Tangier threat. Europe had now definitely entered the danger-zone. In London and Paris alike diplomacy pursued its steady constructive work while the Kaiser's hopes, cherished for so many years, of a European coalition under German hegemony were finally broken up. British statesmen had removed the causes of war with France. They now set themselves to remove causes of war with Russia. Neighbours in Asia, they were equally interested in providing against the possible use by Germany and Turkey of the Bagdad railway, and especially of its end-sections towards the Persian Gulf, as an instrument of war.

London and St. Petersburg, in 1907, came to an agreement upon the whole Persian question — a very sensitive sphere of their relations. When the Wilhelmstrasse in 1901 had rejected British approaches, Holstein had thrown scorn and mockery upon every suggestion of the possibility of an Anglo-Russian settlement. No German of influence believed in that possibility. The obsolete theory of an inevitable conflict between "the whale and the bear" had once prevailed even in Paris, as in every other Continental capital. In Germany it still remained not only a view, but an obsession. As we have seen, the naval Preamble of 1900 was based on it.

Now what the fixed ideas of a whole generation had assumed to be impossible was about to become a fact. Anglo-Russian relations were drawn closer. King Edward had always been liked at the Russian Court, as in Republican Paris. In June, 1908, he met the Tsar at Reval and the *Entente Cordiale* broadened into the Triple *Entente*. King Edward again spoke for his statesmen. Cordial relations were established between the two rulers. They came to an agreement about reforms to be conceded by Turkey to Macedonia, seething more and more with tyranny and revolt, brigandage and outrage, a ceaseless peril to the peace of Europe. Details were discussed between Sir Charles (now Lord) Hardinge, who accompanied the King on behalf of the British Foreign Office, and the Tsar's Minister, M. Isvolsky. Next, Edward VII went to see his Imperial nephew at Friedrichshof and afterwards met Francis Joseph at a charming little Austrian holiday-place, Ischl. The Balkans were discussed again; the aged Habsburg sovereign promised to take no one-sided action; well had he kept to that mind. Francis Joseph was asked whether he could not advise William II against the continual increase of the German fleet.

As a result of these various monarchical conversations in the summer of 1908 a spreading legend sprang up like a banyan tree. It is untrue that King Edward at Ischl attempted anything so futile as trying to withdraw the Austro-Hungarian Monarchy from its basic alliance with Germany. It is untrue that the King and the Tsar at Reval had concerted measures against Germany. The Tsar at this time was more than ever devoted to peace, a desperate necessity for Russia and his dynasty. His personal friendship with William II remained genuine, though no longer on the autocrat's side so ardent and credulous as in the period leading up to Björkö. King Edward was utterly for peace, though seeing the plain signs of disaster to Europe, and doing his duty by seeking peace with safety. French diplomacy was minutely prudent. Britain under the extreme democratic coalition, Liberal-Labour-Irish, was incapable of aggression and even of thorough resolution in naval defence. Again, Britain was not bound by any hard and fast engagement to side with France in case of war, but scrupulously reserved her right to judge of the circumstances. The consent of a Cabinet and of a House of Commons, each containing strong pro-German influences, would first have to be won.

Nevertheless, the cry was raised and believed in Germany that King Edward, apparently a sensible, adroit, and very well-dressed gentleman, was

really an ogre in a silk-hat, who sought with ruthless astuteness the "encirclement" of Germany. Now as throughout, the German people were more sinned against than sinning. They knew nothing of the Potsdam-Petersburg correspondence and the Kaiser's efforts to create against Britain a European coalition — "flanked by America" — as a means towards Germany's unparallelled double supremacy by land and sea. Britain and France, living under the deepening shadow of an incalculable danger, were trying to increase their safeguards by eliminating old enmities, extending friendships. In short, following Burke's suggestion they were seeking to make "provident fear the mother of safety." Early in the same year, 1908, the British Cabinet in its almost nervous desire to placate, had actually communicated to the German Emperor the British naval programme before it had been laid on the table of the House of Commons. After Reval and Ischl, however, William II rushed from optimism to alarm, and on October 28 the author of the Björkö Treaty, as of anti-British letters to the Tsar for 20 years, publicly protested in the celebrated authorised interview in the London *Daily Telegraph* that he had always been the friend of England and during the Boer War had even suggested an eventual coöperation of the British and German fleets in the Far East, where such coöperation could only have been directed against Russia, whom, for ten years, he had been inciting to aggression and war in that region. The interview aroused universal mistrust, excited a storm of contemptuous protest in Germany itself, and the Kaiser's personal prestige never quite recovered.

1908 — EUROPE'S THUNDERCLAP — THE YOUNG TURK REVOLUTION — BALKAN UPHEAVAL — RUSSIA AND AUSTRIA

Meanwhile, as an unexpected result of the Reval meeting between King Edward and the Tsar, events elsewhere were sweeping like a great river beginning to speed towards a cataract. The dull roar of its waters was heard; it might be distant or near; the farther the worse. Turkey in Europe had survived chiefly because of the rivalries between Britain and Russia. If these Powers now agreed, Ottoman rule over the Balkan Christians would come to a sure doom unless the Turks themselves could create in time a wholly new situation. The Young Turk movement had long been conspiring for the overthrow of the old order prolonged by the cunning tyranny of Abdul Hamid. The movement had been commonly regarded as the pathetic delusion of westernised cliques preaching futile constitutionalism or academic treason from Paris or Geneva. It was everywhere underrated and often ridiculed. The blindness of ordinary mankind, but especially of experts, to the true significance of coming forces, good and bad, in Europe, was one of the curious features of this epoch. The Young Turks, aided by Jewish ability, spread their propaganda in spite of the efforts of Yildiz Kiosk to root it out, and at last transferred their secret directorate to Salonika where the Committee of Union and Progress was formed to prepare the revolution. Military conspirators were now the soul of its action. Fear of the "Reval programme" of reforms hastened all plans. At the beginning of July the standard of Turkish revolt against the Sultan was raised in Macedonia. Reactionary officers were killed. The Constitution was proclaimed at Salonika and elsewhere. Abdul Hamid could no longer rely on the army. On July 24, after a despotism of 30 years, the master of wiles was netted at last. His decree restored the Constitution suspended since 1878 and summoned a Chamber of Deputies.

For a few weeks idyllic enthusiasm prevailed in Turkey and elsewhere. Not only did Turks and Christians embrace. Different kinds of Christians,

whose mutual antipathies had been unmatchable, embraced each other. All men seemed to be transported by a dream of ideal liberalism. In Britain, for instance, a Liberal statesman like the Foreign Secretary, Sir Edward Grey, declared that, as a result of this marvellous fraternisation of races and religions, "the Macedonian question and others of a similar character will entirely disappear." Unfortunately, in the main respect — the determination to assert, to increase Ottoman and Moslem ascendency — the authors of the revolution, patriots according to their mixed lights, were not Liberals, but Nationalists and even Chauvinists of the reddest stripe. The Young Turks were Old Turks "writ large." They showed every desire to put back the clock by reasserting Ottoman suzerainty in quarters where under Abdul Hamid it had been long dormant and was assumed to be extinct. The recoil of Austria-Hungary and Bulgaria — doubtless acting in collusion — led to that sinister and convulsive Balkan crisis which gave an irreparable shock to the old European system and was the real introduction to the World War. Through the autumn of 1908 and the spring of 1909 Europe skirted the precipice.

Bosnia and Herzegovina, for thirty years occupied and administered by Austria-Hungary with excellent material results, were still subject in mere name to a faint shadow of the Sultan's sovereignty. The Prince of Bulgaria was as nominally the Sultan's vassal. On October 5, Ferdinand declared his sovereign independence as Tsar of Bulgaria; and two days later, the Emperor Francis Joseph proclaimed the annexation of Bosnia and Herzegovina. By that stroke, long meditated, the Habsburg Foreign Minister, Count Aehrenthal, unchained a wild tempest of conflicting winds. Formerly Ambassador at St. Petersburg, and speculating safely on Russia's weakness after the Manchurian struggle, he had brusqued and humiliated the Tsar's Foreign Minister, M. Isvolsky, a more brilliant mind but a much less sinewy and wary character. Isvolsky had consented to the annexation on terms of simultaneous compensation for Russia by the opening of the Dardanelles, which would have been a great historic stroke. Now Aehrenthal had abruptly incorporated the provinces occupied since 1878 and ignored St. Petersburg. There was no compensation for Russia on the side of the Dardanelles. These, as a result of the Far-Eastern débâcle, were galling slights to crippled Russia. Before plunging into the Manchurian conflict with the Kaiser's encouragement, Russia had never regarded the Habsburg medley as an equal Power.

The Young Turks boycotted Austro-Hungarian commerce. The British Foreign Minister, Sir Edward Grey, pleaded in a manner little appreciated at the time for a principle vital to the world — that treaty-engagements entered into by a number of Powers ought not to be changed without consultation among them; and that no one signatory Power ought to be able to turn any treaty into "a scrap of paper" by single and arbitrary action. That was the great contention on which peace or war for the world depended in July, 1914. The Treaty of Berlin, bad from the beginning, was now quite decayed and untenable. No international conference would have refused to alter the articles concerning Bosnia and Herzegovina in the sense desired by Austria-Hungary. By all the diplomatic standards accepted at that time, the substantial claim of Vienna was unanswerable. But in form the Aehrenthal *coup* at Russia's expense was too like the Kaiser's fatal Tangier method of bidding for diplomatic success by the open humiliation of another Great Power. The Tsardom had been overbearing in its day. Trading on Russia's temporary disability, Aehrenthal in turn abused his advantage. Above all, he forgot that there was now a Duma and a public opinion in Russia and that he was incensing, not merely an autocrat, but an immense people.

AUSTRO-SERBIAN CRISIS — GERMANY'S VETO ON RUSSIA — "SHINING ARMOUR"

All this, in significance for the future, was mild compared with the volcanic flare of Serbian nationalist passion. The Yugoslavs then and afterwards were even more underestimated by all other peoples than had been the Young Turks. They were all the time an extensive race broken up into fragments, aspiring passionately to unity like the larger German and Italian races half a century before. Some of the fragments were under Austrian rule, some under Hungarian, some, as in the occupied provinces, under a mixed Imperial administration, some still under the Turkish yoke, as for nearly six centuries past. The independent Serbian Kingdom was only a political nucleus of the racial aggregate, but the free Serbs regarded Bosnia-Herzegovina as the Alsace-Lorraine of their racial cause. There, Croats and Slovenes — Catholic, Orthodox, Mussulman — in spite of bitter religious differences, spoke the same eloquent language and belonged to one physical stock. Above all, Bosnia-Herzegovina and Dalmatia were the sea-provinces of the race and gave that access to the west which was the key to the economic liberty as well as the political union of the Yugoslavs. Held in a noose by the Austrian command of her trade-outlets, "little Serbia," whenever daring to show political independence, was always liable to be politically throttled by "pig-wars" and other tariff measures.

Driven now to frenzy by the prospect of increased Austrian pressure, the free Serbs demanded the concession of a strip of territory which would connect them with their Montenegrin kinsmen and give them a road to the sea, while at the same time barring further Austrian advance through the Balkans towards Salonika. This, let us note again, was the very issue of July, 1914, throwing its shadow before. Towards the frantic clamour of the hot-headed Serbs, Vienna was contemptuous and adamant. Germany was behind Austria. Russia, in spite of a genuine national outbreak of pan-Slav emotion in favour of Serbia, could do nothing but sympathise. Sure of his game, and playing with as much skill as firmness, Aehrenthal knew that the Tsar would not and could not fight. Yet the Serbian challenge to the Dual Empire continued, and outwardly the danger of a general war seemed to tremble in the balance for months.

Cool observers saw that the Triple *Entente* in this early stage of its existence and at this first test of its strength, was in sight of a diplomatic rout. Britain, France and Russia led the proposal for an international conference. Aehrenthal accepted the conference on condition that the annexation of Bosnia-Herzegovina and Serbian claims to compensation were excluded from its purview. This was amongst the notable ironic strokes of European history. The Triple *Entente* retreated. France was rationally lukewarm in the cause.

Serbia remained recalcitrant and continued to arm on the desperate calculation that if Austria was provoked to attack, the war must become general, because Russia would have to join in at any risk rather than allow her prestige in the Balkans to be destroyed. But the Kaiser was satisfied that the time had now come to appear as arbiter — "in shining armour" as he expressed it a year later — and to confront the big Slav brother with the choice between abandoning the little brother and facing war with Germany. In this sense on March 23, 1909, Count Pourtalès, the German Ambassador in St. Petersburg, delivered an ultimatum in the guise of friendly advice, informing the Tsar's Government that the Hohenzollern Empire stood with the whole of its strength behind the Habsburg Monarchy. Unless Russia accepted Austro-Hungarian policy without delay or reserve,

there would be war. Russia surrendered. For the moment, there was no choice. Serbia had to yield in humble terms. Montenegrin submission followed.

As Morocco at the time of the Tangier *coup* was the pretext for an attempt to break the Dual *Entente* between France and Britain, so the more veiled ultimatum to St. Petersburg used Serbia as the pretext for an equally miscalculating attempt to break the new Triple *Entente* which included Russia. The inwardness of the situation is brought out with unmistakable clearness in a letter from "Willy" to "Nicky" a short while before:

"It is the patent fact that for the last two years Russian policy has been gradually drawing away from us more and more, evolving always closer towards a combination of Powers unfriendly to us. . . . As for other questions in which we are interested, such as the Bagdad railway, where we expected to count on Russia, she in her policy gave us a wide berth." (January 8, 1909.)

This last sentence shows such mental immaturity on the part of a man of fifty that we pity the writer as well as the nations whose destinies were at the mercy of a superficial imagination and meddling restlessness divorced from solid, sober ability.

HOW 1909 PREPARED 1914

This crisis must be followed in a detail disproportionate to the general scale of our survey, because it is impossible to over-estimate the importance of events in eastern Europe between the summer of 1908 and the spring of 1909. The World War quickened in the womb of that period. This time the Central Empire had a practical case that with all imperfections was as sound on its merits as the case of France in 1905. But the final German intervention in "shining armour" was another example of the ominous method peculiarly characteristic of the Emperor William's reign. He confronted Great Powers and peoples with the choice between humiliation and war. When they had to yield they never forgave. Thrice he won, as after Shimonoseki, Tangier, and the eastward apparition "in shining armour." Thrice he failed. The Kruger telegram, the Agadir *coup*, the last ultimatum in 1914 were not followed by the diplomatic surrender of other Powers. The risk of this method, as we shall further see, was dire and cumulative. It was certain sooner or later to bring about diplomatic deadlock and the catastrophe of a general war.

At the head of a powerful clique the Chief of the Austro-Hungarian General Staff, Conrad von Hötzendorff, had been vehemently in favour of crushing Serbia by force of arms. This wish, though thwarted for the time, remained a military ideal in Vienna and Budapest during 1909–1914, the last half-decade of the world's peace. The kindred states of Serbia and Montenegro were, on their side, henceforth resolved that the Habsburg Empire was the great enemy and that the fight for life would have to be faced. And Russia? Sullen, remembering, Russia, to adapt a celebrated phrase out of her history in a previous generation, only recoiled to bide her time. Just after the triumph of "shining armour," the remark of one of the shrewdest of European diplomatists to the present writer was: "This will bite into the flesh of the Slavs."

Above all, the Kaiser did for the Triple *Entente* in the spring of 1909 what he had done for the *Entente Cordiale* in the summer of 1905. He consolidated what he thought to disrupt. Russia was fundamentally alienated like Britain and France. Italy, though temporising in appearance for some years longer, was in reality detached. The last vestiges of Bis-

marck's diplomatic work had now been wiped out by William II, though without that work Germany's military successes in 1866 and 1870 against isolated opponents could not have been won, and the greatness of Germany in the years afterwards never could have risen to the height it reached.

The Iron Chancellor succeeded to the end because he maintained close confidence with Russia and tolerable relations with Britain. The Kaiser might have succeeded by settling definitely with one or the other, but he antagonised both. For an anti-Russian policy under the old conditions Bismarck would not have given the bones of the Pomeranian grenadier. For an anti-Russian policy under the new conditions he would not have given the bones of what is called a Pomeranian dog. If the Kaiser's naval policy was to be pursued at almost any price, then it was life and death for Germany to make sure of Russia. If the Berlin-Bagdad line of influence was to be strengthened at almost any price, then it was life and death to make sure of Britain. To court Russia and urge her into war before the Manchurian débâcle, yet to exploit her weakness afterwards, was a supreme satire upon the "Willy-Nicky" correspondence and one of the crudest blunders in history. After the Muscovite discomfiture, Berlin and Vienna alike were misled by an illusion of almost measureless power. As a result the two Central Empires and their dynasties on one side, the Russian Empire and its dynasty on the opposite, were destined to drag each other into the abyss. And little Serbia was to be as fatal to William II as little Portugal had been to Napoleon. No moral law is more surely to be deduced from the history of our time, as from all history, than this:

> "... in tragic life God wot
> No villain need be; passions spin the plot,
> We are betrayed by what is false within."

1905–1910 — BRITISH FLEET AND GERMAN PERIL — APPROXIMATING STRENGTHS — OFFERS AND REFUSALS — BRITISH PARTY STRIFE AND GERMANY'S FIXED METHOD

We must now turn from the Continental to the maritime side of this unprecedented massing of rival world forces. Immediately after the Balkan crisis just described, Britain was shaken by a violent naval agitation. Her fleet, as her poet wrote long before, was "her all in all." Her Cabinet was internally divided. The extreme Radical group fought to restrain the increase of naval expenditure in order to have more money for social reforms. The burning question was whether several battleships and battle-cruisers, more or less, ought to be provided. The Liberal Foreign Secretary, Sir Edward Grey, had to warn the House of Commons, in some of the gravest words ever addressed to it, that any failure of the democratic parties to maintain naval supremacy in the home seas must result in making Britain "the conscript appendage of a foreign power." The rumours of Germany's achieved strength at sea and of her secret preparation for naval expansion in emergency were considerably exaggerated. Yet there was no further doubt that in less than a single decade the rise of the German fleet and the magnitude of the whole technical organisation behind it had become portentous beyond anything anticipated, except by a very few, at the opening of the century.

A sketch of some antecedent events must be briefly given. Dependent on a huge and advanced democratic majority the Liberal Government in Britain sought for a limitation of armaments with a sincere eagerness which defeated its purpose. Immediately after entering upon office in December,

1905, the Cabinet offered to make a friendly naval compromise with Germany upon the basis of a settled relative strength of 5 to 3. This offer, though supported by the German Ambassador in London, Count Wolf-Metternich, was imprudently refused by the German Emperor and Admiral Tirpitz. So the proposals of the Unionist Government for an Anglo-German *Entente* had been almost satirically declined through Bülow and Holstein in 1901 at the very outset of the naval competition. To prove its moderation, King Edward's new Government proceeded to reduce somewhat the rate, and in the same limited measure to interrupt the regularity, of British naval construction. The German law, on the contrary, worked with undeviating fixity for years ahead.

The Kaiser and his advisers were led to think that their automatic, cumulative method would wear down Britain under her new conditions of known Ministerial dissension and apparent democratic instability. The Germans never understood the tremendous underlying strength of British liberty, and they had a blind belief in the unchanged efficacy of Prussian tradition in modern circumstances. They knew that their organisation, ponderous and exact, was in every mechanical sense the greatest fighting system that the world had seen. They underestimated the determination of other peoples not to submit to it; and above all the rallying power of free institutions energised by a free Press, the dangerous potentiality inherent in great moral causes. At the second Hague Conference in 1907 Germany defeated the proposals of the British Liberals for a limitation of armaments, and equally desisted attempts to check the perversion of civilisation through the appalling additions by modern science itself to the horrors of war. Both conferences were failures in the technical sense, but by their moral effect they helped in the long run to create counter forces whereof the mechanical Prussian War-School had little dreamed.

LORD FISHER *versus* TIRPITZ — BRITAIN'S TREMENDOUS REORGANISATION — RALLY OF THE NATION FOR THE NAVY

If the British Ministry, with other democratic and religious elements of opinion, strove for the better at this time, though the effect was on the whole contrary to their hopes, the British nation prepared toughly for the worst and showed its maritime instinct to be worthy of its strongest historic days. In half a decade the rise of the German danger had brought about what was nothing less than a revolution in the whole naval organisation of the older sea-power. The plan of the German Preamble counted on seizing supremacy at the decisive point because of the world-wide dislocation of British squadrons. Britain replied by the tremendous concentration of its forces towards the North Sea until, as Admiral Mahan said, over 80 per cent of its gun strength was trained on Germany. The Japanese Alliance, the French *Entente*, the Russian *rapprochement* enabled strength to be withdrawn safely from distant stations. For the purposes of this naval revolution, Britain found a sailor of genius known later as Lord Fisher. A man of volcanic energy, of ruthless will, of original imagination and endless technical resource, combined with a matchless knowledge of the Bible, he initiated the Dreadnought age, built the first ship of that type with unparallelled rapidity, and in many other ways he enforced new methods and promoted new men. His whole mind was on the North Sea: "Let your battle-ground be your drill-ground." No single man in centuries had ever stamped so broadly his personal impress upon the building, arming, station-

ing, training and leading of the British fleet. At the end of the first decade of this grim competition between the two countries, German continuity and ability had made it certain that in case of conflict Britain, in the home seas, would have to grapple with a more massive antagonist than she had ever met; but on the other hand, the more facile and sanguine calculations with which the Kaiser had challenged this epic rivalry at the beginning of the century, had been shattered as completely in the strategical sense as in the diplomatic.

POLITICAL WEAKNESS IN FRANCE, BRITAIN, RUSSIA — THE POTSDAM AGREEMENT — GERMANY STILL COUNTS TO WIN

But this, so evident in the retrospect, did not seem so clear in 1909 and 1910. Owing to that seething conflict between autocracy and reform, which will be best sketched at a much later point, Russia was still powerless without and distracted within. France was shaken by labour troubles under the trenchant Briand Ministry. Britain was for long in the throes of a tumultuous constitutional and social struggle. The Radical Budget raised the largest revenue known up to that time, and while making the least relative provision for the fleet it was accused of introducing Socialistic legislation, in the disguise of certain taxes. The House of Lords threw out the Budget, which had not been done for 200 years, and compelled reference of these issues to the people at a General Election. The Peers, in their turn, were accused of challenging in their own class interests the historic supremacy of the House of Commons in finance. In the General Election at the beginning of 1910 the Unionists, who demanded a stronger navy, a tariff and an effective Second Chamber, did not win, but they gained 100 seats in the House of Commons. Henceforward there was a sure preponderance in that ruling body for increased naval estimates. The hereditary House of Lords, on the other hand, was reduced in power and status. But, again, in the House of Commons, though now more sovereign than any other representative assembly in the world, the former overwhelming Liberal-Labour majority was broken down, and between the British parties the balance of power once more fell into the hands of the Irish Nationalists. As a result, Irish Home Rule, with the threat of Protestant Ulster to resist by civil war unless excluded, had to become once more the dominant issue of British domestic politics. Even this, as we shall see, played its part amongst all those countless factors throughout the world which were converging towards the World War.

Amidst this insular upheaval King Edward died and Germany breathed more freely. In a few years the sagacious, conciliatory monarch, coming to the throne so late, long regarded by his flamboyant Imperial nephew as a dandified mediocrity, had contrived by the quietest means to outshine and outplay the Kaiser, who had formerly engrossed the political stage. In Germany King Edward had become a legend like "Malbrook," in old France, but as they made a nightmare of his motives they exaggerated his personal influence. The inferences they drew from his death were equally erroneous. He had been the crowned interpreter of a national policy. It was to remain.

German hopes, however, thus revived in 1910 by political changes in England and in France, were further strengthened at the end of the year by an event on the Russian side, so remarkable, that it almost revived for one last interval the soaring optimism encouraged half a decade before by the Björkö Treaty itself. Russo-British relations were still not too settled or easy. There were renewed rubs in the Middle East and the friction

was to become worse. All over Asia, in China and India, as in Persia and Turkey, new ideas of reform were working since the victories of Japan over a white Power. In Persia the British were on the side of "progress," such as it was, distorted by tribal anarchy; the Russians were very naturally on the side of "order" and of monarchical reaction, such as at Teheran they could more readily control.

The wavering Tsar, desiring to maintain the Triple *Entente* for European purposes and to recover some measure of German support for Asiatic purposes, entered into another separate negotiation at Berlin. On the German side the wish for sure friendly relationship with Russia was constant and anxious, though no decisive way of realising that wish was ever taken. The end was willed, but not the means. The Russian Foreign Office was partly influenced by more subtle motives. It desired to gain time for re-armament by keeping Germany in better humour. Towards the close of 1910, in November, Kaiser and Tsar met once more at Potsdam. This opened between the two Governments a long negotiation, ending in the celebrated Potsdam Agreement. Russia engaged to support the Bagdad railway, Germany to support the Tsar's interests in Persia. A cross line, the Khanikin branch, was to link up the Bagdad track with the railways of the neighbouring Russian sphere. Prince Bülow had been succeeded by the more sober but more luckless Bethmann-Hollweg. The new Imperial Chancellor, however, now believed himself entitled to make a large statement. Germany and Russia were agreed that neither would enter into any kind of combination directing an aggressive point against the other. They were equally at one in upholding the *status quo* in the Balkans and the Near East generally. They would support no policy, from whatever side attempted, which might aim at a disturbance of the *status quo*.

MOROCCO AND BERLIN — PREPARING AGAIN TO EXPLODE THE ENTENTE CORDIALE

In the beginning of that echoing year of 1911, Britain and France, as they might well be, were profoundly alarmed by these proceedings on the part of Russia, which threatened to reduce the Triple *Entente* to a nullity. Their protests prevailed. The Potsdam Agreement became in the end a dead letter, like the Björkö Treaty. But in Persia, Mr. Morgan Shuster, an American, had appeared, in a manner abhorrent to the Tsardom, as financial reorganiser, a task which demanded the political powers of a dictator. As a consequence, Anglo-Russian dissensions became yet more acute, even grave, in a manner vigilantly watched from Berlin. Britain and France were still rent within by continued domestic controversies of unusual violence. The Briand Ministry fell, but the brief Monis Ministry had no better luck. When the brilliant, forceful but ambiguous Joseph Caillaux came into power in June, 1911, he was inclined, like his fellow Radicals in the contemporary British Cabinet, to risk weakening the *Entente* in the interests of negotiations with Berlin. Once more the diplomatic conjuncture viewed from the Wilhelmstrasse seemed favourable. If Germany was sure of Russia's neutrality, Britain and France might be safely — profitably — confronted by an accomplished fact. They would not and they could not fight. King Edward was dead; the time had come to inter his system with his bones. Events in Morocco seemed to offer a conspicuous opportunity of compelling France to liquidate that controversy once for all, on terms of extensive and even splendid compensation for Germany.

The result of these circumstances was the sudden Agadir crisis — perhaps the most ominous explosion by which the general fabric of European peace

had been shaken for a generation. After that nothing was the same. A sense of security never existed again for a single day. It was one link in a far-stretching chain of fatality. Other things had been hard to remedy, but this, as we can now see, was irreparable. Agadir wrote the first paragraph in the preface to Armageddon. Yet undoubtedly the real aim of Germany, despite the huge blunder of its method, was to force a comprehensive settlement with France. Berlin never was surer of the justice of its own purposes, or of the peaceful triumph of its procedure. By this time the ironic gods were mocking men.

We have seen how the Tangier *coup* failed. The Algeciras Conference in 1906 was a diplomatic defeat for Germany in the main. Nevertheless, the resultant act beset with many hindrances the French path in Morocco and enabled Germany to keep in reserve many pretexts for renewed interference at a likely time. Prince Bülow could write confidently: "In future dealings with Moroccan affairs Germany thus retained for herself a decisive vote — a vote which she will not relinquish without adequate compensation." This was the guiding thought in the inner mind of the German Government during the next few years. The one thing certain about the French policy of pacific penetration was that it must either cease to be pacific or fail to penetrate. The fierce tribes assailed the French and were at feud with each other. In 1907 Europeans were slaughtered at Casablanca; and the French, after storming the town, had to advance in force into the country beyond. At Casablanca again, in the very next year, the German Consulate, a busy centre of small conspiracy against the French, seemed to have become an agency for inducing members of the Foreign Legion to desert. Meanwhile the general anarchy was aggravated when the former Sultan, Abd-el-Aziz, was deposed in favour of his brother, Mulai Hafid, victorious in the consequent civil war.

The Germans expected that the new Sultan would be more under their influence. He had other views. In February, 1909, France and Germany, after incessant diplomatic chaffering, arrived at an agreement professedly designed to remove all further cause for misunderstanding. Declaring that her interests were economic only, Germany, on condition of security for those interests, agreed not to contest French political predominance. Once on the throne the new Sultan, Mulai Hafid, surrendered himself altogether to French influence in return for a fat loan; and at the same time, in February, 1910, his entire revenues were handed over to French control. M. Delcassé's daring dream, the "Empire of the Atlas" as a French Protectorate, was in near sight of being realised. German policy watched this development with concern, but deliberately allowed the situation to mature and waited for a better moment to strike. It soon came. Mulai Hafid was regarded as a French creature; the tribes rose and he was besieged in his capital. A French force marched to his relief and occupied Fez on May 21, 1911. Berlin regarded this occupation of the Moroccan capital as a final and flagrant act in the assertion of French supremacy. German policy at first made no formal objection and studied its course. The secret dealings of the next few weeks are still obscure. A version widely received in France is that Caillaux's private communications led Berlin to believe that France would yield to a repetition of the Tangier *coup*. On the German side Count Reventlow, claiming special knowledge of this episode, broadly hints at the Kaiser's belief that the attitude of Britain after King Edward's death, and in view of her convulsive party-conflicts, would be weaker than before, and that Germany from beginning to end of the affair would have to deal with France alone.

AGADIR — WITHIN A HAIR'S-BREADTH OF WAR — GERMANY'S GREAT DREAM AND RETREAT — THE COMPROMISE

The German concessionaires in the preceding years of uncertainty had strengthened their footing in Morocco. Especially the Mannesmann brothers had got nearly the whole of the mines. On the allegation that German firms had appealed to Berlin to protect their lives and property, the Kaiser's Government startled the world once more by a threatening gesture. A warship was abruptly despatched to Morocco. On July 1, 1911, the gunboat "Panther" dropped anchor in the little Atlantic port of Agadir, far southward in that part of Morocco which lies towards the Canary Islands and the long coast belt of Spanish territory on the mainland. At this time Spain too was fretted by French expansion.

This was playing with war as never before. With another of the extraordinary flourishes which had excited the world since Bismarck's fall, Germany clapped a pistol to the head of a proud people, and prefaced by intimidation and humiliation, a demand for concessions. The habit of this unprecedented and intolerable procedure was the mortal blight on the European situation. For weeks peace was in jeopardy. Was it intended to seize Agadir as a naval base — another Kiaochow on the mid-Atlantic? The extreme naval party in Germany entertained this dream. The *Entente* was in disarray. The British Government was not at first united any more than in the critical weeks of July, 1914. In France, the Premier conducted secret negotiations with Berlin through a subordinate German diplomatist, Baron von Lancken, and this without informing his Cabinet or even consulting his own Minister of Foreign Affairs. But the British Ministry, after its manner, came to a sufficiently united mind. Its significant spokesman was the new popular leader, Mr. Lloyd George, at that time the admiration of advanced democrats all over the globe. As Chancellor of the Exchequer and guardian of the public purse, he had led the resistance to increased naval estimates. Upon him, above all, the Germans had relied to weaken British naval preparation. Now in a momentous speech in the City of London on July 21, 1911, it was Mr. Lloyd George himself who warned Germany that she had gone too far, and that if she pressed the method of armed ultimatum symbolised by the "Panther" at Agadir, she would meet an unyielding people. At this, the world held its breath. There was an explosion of approval in Britain. There was an explosion of wrath in Germany. The German Ambassador made to the British Foreign Minister a communication "so stiff" that Sir Edward Grey thought "the fleet might be attacked at any moment." Every nation in Europe began to look hurriedly to its armaments. The German Government, however, repudiated any intention of creating a new Kiaochow on the Atlantic or establishing itself in any way in Moroccan territory. With this, the worst of the diplomatic tension was over, but the resulting moral evil amongst the rival peoples was immeasurable.

German bargaining for colonial compensation now began. Kiderlen-Wächter, the Foreign Secretary, was not one of the naval fanatics. Instead, he seems to have hoped seriously on this occasion to acquire, in return for the complete relinquishment of Morocco, the whole of the French Congo, with a transfer by France of her prior right to purchase the Belgian Congo if little Belgium were ever induced to part with that great region. In such an eventuality, Germany, linking up with her then existing East African colony, would possess in the Dark Continent a magnificent Middle Empire stretching from ocean to ocean. But the broad beginnings of this grand

plan depended upon taking from France an amount of colonial territory that she would never concede except, possibly, under the immediate threat of war. Strong German militarists thought it would have been better to mass troops on the French frontier than to send a gunboat to Agadir. The last arbitrament being once more postponed, Germany had to content herself with relatively small territories as compensation, and even these were only given up by French opinion with extreme reluctance and bitterness.

AGADIR AND ARMAGEDDON — DECISIVE EFFECT ON FRENCH AND GERMAN FEELING — BOTH NATIONS RESOLVE TO FIGHT NEXT TIME

Other consequences were graver than any which could be shown upon a map. The German people had been allowed to count on triumph, expecting at first nothing less than a territorial footing on the Atlantic coast of Morocco. They felt the settlement to be a sorry discomfiture.

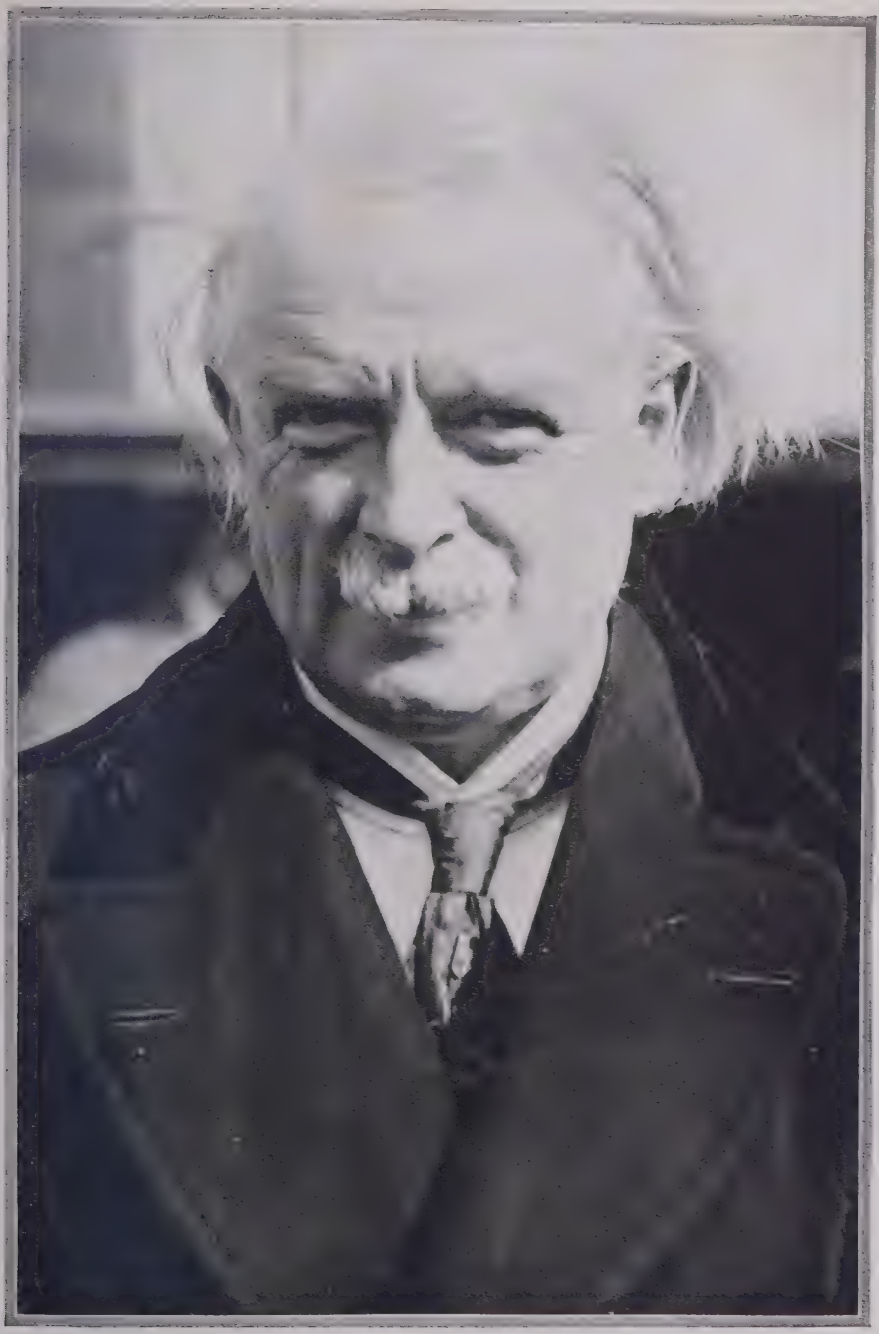
In spite of commercial conquest, technical ascendency, a swarming increase of population, the clanking and glitter of arms, the unbroken primacy assumed by Germans for 40 years to be their national birthright, had recoiled before defiance and suffered open discomfiture. Was this the nation of Bismarck and Moltke? The man at their head, with plumed helmet and high boots, raised hand and minatory rhetoric — was it possible that this Emperor might be a sham Paladin whose cuirassier's corselet covered a heart of lard? Was the fibre unequal to the pose? So or not so, the German nation must take its honour into its own keeping, and the next trial of strength must be made good, if need be, by force of arms.

But the French were now, 40 years after 1871, brought to just the same mind. Sick of sabre-rattling, they were resolved to try conclusions once for all, rather than live under perpetual menaces. At the next crisis like Tangier or Agadir, there would be no more hesitation before the German challenge. France would fight. At the end of 1911, the lingering fear of Germany passed away. Since 1870–1871 a new generation had arisen. In literature, as in arms, a systematic revival of the older, greater memories of French genius and heroism thrilled and steeled the nation.

The British people, as usual, were far less effective in national attitude and far less generally awakened. At this time their public life was an orgy of factions, male and female, and might well have seemed a chaos of decadence to any observer who did not know them well; whereas modern Germany — unlike its fathers — had ceased to know them at all. The British Liberal Government, though more anxiously resolved than ever to make last efforts for compromise with Germany, appointed Mr. Winston Churchill to be political head of the fleet with the direct duty of completing its organisation for the contingency of war. Lord Haldane at the same time was to perfect his preparations for throwing a small but intensely trained army of 150,000 men into the Continental fighting front within three weeks from the mobilisation of Europe.

THE TRIPOLI THUNDERCLAP — ITALY ATTACKS TURKEY — HENCEFORTH WAR FOLLOWS WAR

While this cloud of apprehension was thickening over the old world no one realised its full significance. So little, that when the first shots rang out no one at first or for long afterwards knew what had really happened. Yet the rifles and guns were hardly again to be silent in Europe and



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DAVID LLOYD GEORGE

the Near East for more than eleven years. Least of all did those know by whom the first shots were fired. Before the Agadir controversy was settled, Italy declared war on Turkey like a bolt from the serene. Before that inaugural struggle was composed, the nations of the Balkan League had plunged into their first war with Turkey, followed by their second war with one another. As an automatic result of this latter satire on human purposes, another twelve months brought the universal catastrophe. That is the epitome of fate during 1911 to 1914.

Since the *risorgimento,* united Italy's colonial experiences had been less fortunate than those of any other Power. Yet her need was more and her tradition strong. By comparison with the stationary population of France, she had a swarming surplus of hard-working, intelligent immigrants. They throve under other flags, settling in the United States, the Argentine and Tunis, seeking livelihood in Germany and France. The African shores of the Mediterranean made a vivid appeal to the historical imagination of the Italian people as well as to their political and social interests. These dreams had been defeated by the rapidity of French extension. Especially on Tunis — ideal for their purposes and lying so near to Sicily just across the Mediterranean narrows — the Italians long fixed their hearts. But in the early 'eighties this, too, was taken by the French, a seizure causing bitterness for many years between the two Latin peoples. The Turks were destined to be stripped of the last remnant of their suzerainty on these shores, so long the scene of a great Roman civilisation after the fall of Carthage. Between the British in Egypt and the immense French colonial empire, only Tripoli remained open for European occupation. Stretching far south desertwards through tracts sparsely peopled by the tribes of the fanatical Senussi sect, this region is more spacious than rich.

Through 30 years and more Italy's right of reversion had become generally acknowledged — first by Britain, then by France, later by Russia, and, at last, though unwillingly, even by Germany and Austria-Hungary, irksome partners with Italy in the Triple Alliance. Opportunity had been long delayed, but in the autumn of 1911 there was a chance to strike and it seemed now or never in the matter. The Agadir crisis was just over. Morocco was finally French; Germany was assured of some colonial compensation elsewhere. Austria was distinctly stronger and more aggressive on the Adriatic, and that question might not always leave Italy free hands for any other. In accordance with the rising temper of every nation, public opinion was urging a more vigorous foreign policy. Finally the Young Turks were obstructing Italian commercial interests in Tripoli and treating Italy generally with a certain contempt.

King Victor's statesmen took their temerity in both hands. They had protested against Turkish conduct for some months, but had given no sign of their intentions. Their resolve to risk war was probably decided by the German example at Agadir which cut away the ground for protest on the part of the Wilhelmstrasse and the Ballplatz. The diplomatic world was confounded when, on September 28, 1911, an Italian ultimatum summoned Turkey to consent within 24 hours to the cession of Tripoli. In the precarious state of the whole Eastern Question at that moment, all men felt that the consequences might be incalculable; and they were.

The Italo-Turkish War in itself was of minor importance and may be very shortly summarised. Italian sea-power made the situation of the Turks strategically hopeless and severed the Ottoman armies altogether from the scene of action. The invaders soon carried the coast, but then met stiffer and slower work than they expected. Enver Bey and others threw themselves into the interior and rallied the tribes for attack. But the Italians

routed these attempts and steadily broke up all resistance in the plains, though the farther interior remained long unsubdued.

The danger to general peace was not in Libya, as the Italians classically called their new sphere, but in the Aegean and the Balkans. Aware of this, the Italian Government proclaimed its desire to localise the conflict and discountenance any movement against European Turkey. In the first days of hostilities two Turkish torpedo boats had been sunk in the Adriatic; Preveza and San Giovanni di Medua had been bombarded. But when Vienna protested, the Italian fleet was at once recalled from these waters. This restriction of sea-power became irksome; as the struggle in Tripoli dragged on, the temptation to bring naval pressure to bear on European Turkey became stronger. Again Austria-Hungary firmly intervened. French mail steamers were stopped by Italian cruisers; once more there was unfriendliness between the Governments of Paris and Rome, with bitter recrimination between their peoples. In April, 1912, Italian warships engaged the forts at the entrance to the Dardanelles and their torpedo-boat flotilla, by a daring exploit, went far up that crooked and perilous channel. Italy was thereupon informed by Vienna that further attempts of the same kind "might have grave consequences," and that if Italy meant to resume freedom of action on the Balkan side Austria could do likewise. In May, Italy, as a temporary measure, occupied in the Aegean those purely Greek islands — though up to then under Turkish rule — Rhodes and the Dodecanese, which she still retains in illustration of the familiar maxim that nothing is so permanent as the provisional.

To realise the gravity of the peril created by the European reactions of the Tripoli campaign and the undermined state of the whole European continent, we must vividly remember that the Austrian war party, headed by Conrad von Hötzendorff, the Chief of the General Staff, was at this time hotly in favour of attacking Italy or at least of seizing the moment when her hands were tied to establish Austrian supremacy in the Balkans. Aehrenthal, though he had curbed Italy sharply, resisted these extreme views and with the support of the Emperor Francis Joseph, carried the day, though no more than the day. To complete the troubled picture, the Italo-Turkish War, by closing the Dardanelles, had inflicted severe injury upon Russian trade and had increased the historic desire of the Tsardom for "the freedom of the Straits" in the sense of free ingress and regress not only for Russian trading ships, but for Russian warships, though not for other warships. More and more, this war was becoming a general nuisance and menace. Tripoli was lost. Yet Turkey, as often before, and as afterwards with amazing effect, was incomparably obstinate. Her hands were forced by a new danger threatening immediately her very life in Europe. At last, on October 18, 1912, Tripoli and Cyrenaica were ceded to Italy by the Treaty of Lausanne. As her eloquence phrased it, "the Roman eagles had returned to the fields of Libya."

That peace came too late. Before it was signed, another war, far more ominous and darkly destined, was in full blast. The efforts of all the Powers to localise the Italo-Turkish conflict had failed. The whole Eastern Question was re-opened with a vengeance by the combined armies of the Balkan League. It was the portentous apparition. It was that one thing in this uncertain field which the statesmen of all Europe had thought to be absolutely impossible.

THE NEAR-EASTERN CAULDRON — 1909–1911

We must go back to those idyllic transports at the dawn of the Young Turk Revolution when a rainbow bent over the world's worst cockpit of inveterate hatreds, and all races and creeds fraternised. The illusion soon vanished, but by contrast reality was less bearable than before. Abdul Hamid after an attempt at counter-revolution was crushed in April, 1909. Henceforth the inner junta of the Committee of Union and Progress controlled the State. But by "Union" of an empire which was a medley, they meant their own ascendency, and by "Progress" they meant Turcification. The Young Turks, one must repeat, proved to be old Turks "writ large." They were not reconcilers but masters; not Liberals but Chauvinists; not emancipators but centralisers. Formerly, the Christian races had assumed that the Old Turks would either disappear of themselves or would be gradually eliminated, at least from Macedonia and the larger parts of Thrace, by cumulative reforms under the auspices of the Powers. Now the Young Turks on set theory were more methodically tyrannical, while the Powers in the new circumstances were more divided, uncertain, dilatory. The watchword for the Balkan Christians was coming to be this:

> "Hereditary bondsmen! Know ye not,
> Who would be free, themselves must strike the blow?"

Even the mainly Moslem Albanians were roused to revolt by the new Turcification, not only levying taxes from which the tribes hitherto had been exempt, but attempting to displace the native schools and language in a manner constituting a more formidable threat to the new Albanian consciousness of nationality than Abdul Hamid's less doctrinaire despotism had ever suggested. Distracted Greece had begun an astonishing national recovery by calling to its head, in the autumn of 1910, the great Cretan statesman Venizelos; but the Young Turks, with suicidal fatuity, still vetoed the full reunion of Crete with the Hellenic Kingdom, though island and motherland passionately felt themselves to be part of each other's flesh and blood. Above all, in the Balkans, with the exasperation of Christian rivalries and the new Turcification so abhorrent to them all, the state of Macedonia after so many abortive schemes of reform, so many years of hope deferred, was plunging from bad to worse.

A BALKAN LEAGUE — THE "IMPOSSIBLE" HAPPENS

Was it impossible for the Balkan Christians to do for themselves what the Great Powers had not only failed to effect, but by their rivalries had prevented? The conception of a Balkan League was not new. It had been a dream for generations. Up to the Young Turk reaction it had seemed as impossible to frame a working compromise between Greeks, Bulgars and Serbs as to square the circle. But unusually able and broad-minded statesmen were now prominent in all three nations — Venizelos in Athens, Gueshov in Sofia, Milovanovitch in Belgrade — and the need for common action was dire. In the midst of the Bosnian crisis, M. Isvolsky on Christmas Day, 1908, made a speech advocating a Balkan alliance between Turkey and the three Slav states. This ideal floated across the vision of all the statesmen just named until it was made hopeless by the peculiar revelation of what the Young Turks meant by "Union and Progress."

In the winter of 1910 the first promising *pourparlers* seem to have been initiated by an Irishman — Mr. J. D. Bourchier, the celebrated Balkan correspondent of *The Times*, and probably the only journalist whose portrait has appeared on postage stamps. Devoted to Bulgaria, yet an old personal friend of Venizelos, he acted as a secret intermediary in the earliest overtures. They had been going on for many months when the war between Italy and Turkey forced the pace of all thoughts and plans by suddenly opening an opportunity such as might never offer again. Negotiations now went on with a direct view to action. A treaty of alliance between Bulgaria and Serbia was signed on March 13, 1912. On May 29, a similar treaty was concluded between Sofia and Athens. Bulgaria and Serbia adopted a definite scheme for the partition of Macedonia, the arbitration of the Tsar of Russia to be invoked in case of dispute about certain districts. On the other hand, the arrangement between Greeks and Bulgars simply provided for mutual aid in case of war and contained no territorial compact. Without the consent of all three states peace could not be concluded, nor even an armistice granted.

The Young Turks had sown the wind and nothing could save them from the whirlwind. Albania rose in even more determined insurrection than in the previous year. Bulgars and Serbs alike were excited by truth and rumour concerning Turkish massacre and outrage in Macedonia and elsewhere. The Albanians were overrunning the very districts promised to Serbia by the secret treaty. In July, unofficial negotiations had been opened in Switzerland between Italy and Turkey and before a definite peace could be concluded between these belligerents it was critically important for the Balkan League to make a daring move.

Too late the Powers, though not fully realising what was coming, began to awaken. Aehrenthal had unfortunately died a few months before. His weaker successor, Count Berchtold, brought forward new proposals for administrative reform in Macedonia, but these suggestions framed on the old vague and venerable model were far behind the needs and facts of the new situation. Between Turkey and the European Concert there was negotiation and delay, while the members of the Balkan League in disregard of these august fumblings, and stimulated by the fear of half-solutions, more than deterred by the chances of European intervention, were completing their military plans. They were resolved not to be content with anything less than the full Macedonian autonomy which nothing on earth but force of arms could induce the Young Turks to concede.

On September 30, the order for mobilisation was issued simultaneously in Sofia, Belgrade and Athens. Turkish mobilisation replied. The Powers were now in full alarm. They not only warned the Balkan League against challenging hostilities but declared that in case of conflict whatever its issue they would allow no alteration of the *status quo*. They were soon glad to forget that sounding formula. This time the old Olympians were impotent to control events. On October 8, little Montenegro, by undoubted arrangement with the other members of the League, seized the picturesque privilege of declaring war on Turkey. Next day the men of the Black Mountain fired the first shots. On October 13 Bulgaria, Serbia and Greece delivered their ultimatum at Constantinople in the shape of identic notes, demanding in effect full self-government for the non-Turkish races still under Ottoman rule in the Balkans and immediate Turkish demobilisation. Filled with sublime contempt for those who had been their slaves or vassals for centuries, the Turks disdained to reply. They were not alone in their estimate. Nearly all Europe expected an Ottoman victory. Berlin and Vienna were absolutely confident that the Turks would shatter the League.

THE FIRST BALKAN WAR — EUROPEAN TURKEY DISAPPEARS — THE LEAGUE'S BRILLIANT CAMPAIGN

By contrast with assumptions like these the result was amongst the most dramatic revelations in history. The three Allies put more than 600,000 men into the field, Bulgaria contributing nearly half. The Turks were deprived of adequate transport by the Greek navy. In spite of German instruction they were not only outnumbered but out-thought and out-fought at every point. The success of the League was as rapid as overwhelming. Each member of the League in turn astounded a world which stood spell-bound and breathless before this transformation. It was as brilliant as the conquest of Granada by Spain and seemed more decisive than the defeat of Islam before Vienna by Sobieski. As the Balkan Christians went down before the Turks in the fourteenth and fifteenth centuries the Turks went down before the Balkan Christians in the twentieth.

On the whole the achievement of the Bulgars, though far exceeding the highest hopes of their friends, caused least astonishment. Shrewd experts had called them the Japanese of the Balkans and they proved their title. Attacking without hesitation the main Ottoman armies in Thrace, they swept the enemy into ruin in a fortnight — first by the battle of Kirk Kilisseh on October 23, immediately afterwards by the shattering victory of Lüle Burgas, a huge struggle engaging a total of about 350,000 men, which began on October 28 and raged for several days. Ill-found, half-famished, the Turkish masses broke into a disorderly rabble streaming towards Constantinople and its covering lines of Chatalja.

The advance of the Serbs through Macedonia was as irresistible and swift though more unexpected. The Turks were routed in a battle at Kumanovo (October 23–24), and this victory above all, nearly six centuries after the "fatal field" of Kossovo, revived the pride and aspiration of a whole race, and had the deepest effect upon the future. It was, as we now know, the death-knell of the Austrian Empire, as well as of Turkish rule in the heart of the Balkans. As confident henceforth in their artillery as in their valour, the Serbs pressed onwards. On October 26 the Crown Prince rode into Uskub, the capital of the wide Serbian empire in the Middle Ages and a legendary city of their race; and in the middle of November, Monastir, key of central Macedonia, was captured after another pitched battle. Fragments of the Ottoman western army remained; but none the less, Turkish rule was annihilated in Macedonia and doomed in Albania. The Serbs were now in a more favourable military position than in their wildest dreams they had imagined or Austria-Hungary in her worst nightmares had feared.

But even these epic strokes were capped in one vital respect by the surprising Greeks. In three weeks they were in Salonika itself and had thus won the chief prize of the whole war. After the fiasco of their Thessalian campaign in 1897, their military virtue had been rated low, and their prestige had not been raised by spasmodic and theatrical politics. Few foreign critics realised that in the temper, training and equipment of the army there had been remarkable progress, while the fleet was ready to play a signal part. The Turks themselves were most deceived, and assumed that with absurdly inferior forces they could hold their own in this part of the peninsula. King George opened his campaign on October 18. In a week his northward advance through southernmost Macedonia threw the Moslem out of it. In the battle of Sarandoporon the much smaller Turkish force, trying to hold the defile, was routed with a loss of

20 guns and many prisoners. The confidence restored by this victory made an almost magical difference to Greek *morale*. It took wings for the set purpose of reaching Salonika before the Bulgars. Swinging round towards that goal, they had first to face a more formidable Turkish concentration and were heavily checked; but by fine generalship and soldiership together they broke the last barrier. On November 9, the Turks in Salonika surrendered with their general and 29,000 men, and in a scene of indescribable enthusiasm King George and his army entered the great seaport — that potential "Hamburg of the Aegean," according to Pan-German dreams — a day before the competitive arrival of their unbeloved Bulgarian Ally.

The Hellenic forces had likewise conquered districts in Epirus ardently coveted since the War of Liberation nearly a century before. At sea, they delivered many of their islands. The greater islands of Crete and Samos were reunited to the mother-country. Their fleet bottled up the Ottoman warships in the Dardanelles, and hampered the Turks in every way by depriving them of sea-transport. Above all, from the national point of view they hoisted the Greek flag over the holy promontory of Mount Athos and its monasteries — that Gibraltar of orthodox religion.

While the other two Allies were sweeping the western half of the peninsula, the Bulgars, after their more massive and principal deeds, had come to their limit. They were tired, they had outmarched their supplies, and their ranks were full of cholera. On the other hand, they had brought up reinforcements, and nothing but the Chatalja lines stood between them and Constantinople itself. Fired by a supreme ambition they underestimated both the defences and the enemy. Their able leader, Savov, said: "In a week we shall be dining in Constantinople." It was not to be. On November 18, only a month after the outbreak of war, the attempt to storm the Chatalja lines was severely repulsed. The Bulgarian Command learned its lesson at once, and resolved not to waste the reserves henceforth needed for very different purposes. There was no further assault.

At the beginning of December, 1912, an armistice was signed between the Porte on the one side and Bulgaria, Serbia and Montenegro on the other. Greece continued hostilities, not on a large scale, but with the shrewd aim of consolidating her extensive gains by small operations. Thus in six weeks this dazzling campaign of the Balkan League, unique in modern war, totally destroyed European Turkey outside Constantinople itself. Elsewhere only a few besieged positions remained like island specks emerging above some disastrous flood — Gallipoli, Adrianople, with Yannina and Scutari in distant Albania.

THE TRUCE — DIPLOMACY IN LONDON — EUROPEAN WAR OVER SERBIA AGAIN AVOIDED — TURKS UNTEACHABLE — HOSTILITIES RESUMED — ADRIANOPLE FALLS — TURKEY SURRENDERS — TREATY OF LONDON

European diplomacy now entered on the scene with sombre anxieties. The momentary harmony of the Great Powers in seeking to prevent the struggle had disappeared. It was now impossible to restore the *status quo* which they had sworn nothing would induce them to change. "The map of eastern Europe," said Mr. Asquith, the British Premier, on November 9, "has to be recast, and the victors are not to be robbed of the fruits which have cost them so dear." But Austria-Hungary, notably, was as determined as ever to prevent the Serbs from keeping an independent outlet on the sea. Achieving their ideal in the crisis of 1908–1909 the Serbs had reached the

Adriatic through northern Albania. The Russian Government declared for the cession of an Adriatic port to Serbia and was supported by Britain and France. Russia and Austria alike mobilised and prepared for war; and Vienna recalled the avowed war-maker, Conrad von Hötzendorff, to his former position as Chief of the General Staff. The general peace of Europe was in imminent peril. But the Habsburg Monarchy upon this occasion was deterred by German moderation from throwing down the gauntlet in the fatal temper displayed in July, 1914. Russia was equally calmed by British moderation.

London in the middle of December became the centre of the formal negotiations. While the delegates of the belligerents met at the Peace Conference in St. James's Palace, the ambassadors of the Great Powers sat in simultaneous council under the presidency of Sir Edward Grey. For the sake of peace all the Powers decided for the Austrian view by setting up Albania as an independent State in a manner that once more cut off Serbia from the sea. There was much to be said for this, both on the grounds of averting general war and recognising Albania's national rights, but it led directly, as we shall see, to the crash eighteen months later.

The conference between the Balkan belligerents failed. A revolution in Constantinople, led by Enver Pasha, brought the Young Turks back to power and they refused the terms of the League.

On February 3 hostilities were resumed. The new campaign had none of the brilliancy and inspiration of the former, and may be dismissed in a few words. Yannina fell to the Greeks, but King George, at the height of his glory, was assassinated at Salonika by a Greek subject with a private grudge. Had that wise sovereign lived, he might have prevented many subsequent misfortunes, but then and for long after the new King Constantine was idolised by his people. Little Montenegro still besieged Scutari. Warned off by the European Concert which had included that town in the new Albanian State, King Nicholas resolved to capture Scutari, and did. The Montenegrins defiantly held it for several weeks before the menaces of Austria-Hungary, supported more or less willingly by the other Great Powers, compelled them to withdraw. Meanwhile Adrianople, the greatest of the besieged Turkish fortresses, had fallen before the Bulgars, who however had been forced to summon a large Serbian force to their aid. On March 26 its Commandant, Shukri Pasha, after a fine defence, surrendered with 50,000 men and nearly 600 guns. This was the last triumph for the joint forces of the League. The Turks had had enough, and sued for a second armistice, signed on April 19, 1913, at the lines of Bulair covering Gallipoli. The Peace Conference was resumed in St. James's Palace. By the Treaty of London, signed on May 30, Turkey in Europe ceased to exist outside a small wedge of territory covering Constantinople and Gallipoli, the Straits and the Sea of Marmora.

As this was amongst the greatest events in the annals of Christendom, so it was in itself amongst the noblest. The results might have brought not only a new glory to civilisation, but an assurance of safety unknown to Europe for many years. From this pinnacle of chance the hopes of the world fell in a moment and were dashed to pieces. As had often happened before in human affairs, and as was to happen again on a vaster and more sombre scale, the sequel of inspiration, vision and of achievement beyond dreams, was to be one of the saddest and most baleful chapters in the record of human affairs.

THE VICTORS' QUARREL — SERBIAN AND GREEK COMPACT — BULGARIAN MADNESS — THE SECOND BALKAN WAR

As an ironic study of motive and circumstance the story of the break-up of the Balkan League and Bulgaria's ruin would deserve a volume to itself. No psychological passage of the World War itself throws more light upon the recesses of the human mind. The actual situation was such as no one had conceived when the basic treaties of the Balkan League were signed. The victors were plunged into mortal quarrel by the excess of the spoils. The Bulgars had advanced almost to the gates of Constantinople and acquired Eastern Thrace which no one had expected them to win. If, as well, they annexed the bulk of Macedonia as originally provided, they would become an overshadowing power in the Balkans, and it was clear enough that some subterranean understanding existed between Sofia and Vienna. The Bulgars had put by far the largest force into the field, and against the main Ottoman armies they had borne the brunt of the war and its losses. A virile and dogged race, their exploits had made them unbounded in their self-esteem and unyielding in their arrogance. In spite of their broad conquests in Thrace, they were adamant in insistence on the letter of the Macedonian bond, instead of making concessions to their Allies out of the plenitude of their gains as sober wisdom and substantial equity demanded. Nor was this attitude merely one of vulgar rapacity. They regarded the bulk of Macedonia as part of their racial flesh and blood.

But the Serbs and the Greeks by the course of events had come into actual occupation of what Bulgaria claimed, and in their heart of hearts they meant possession to be nine points of the law. The Serbs, with nearly 50,000 men and a heavy siege train, had powerfully assisted in the capture of Adrianople, and for this service over and above their obligations they expected a handsome reward. They demanded broad compensation for a further and more important reason. The Austro-Hungarian veto, supported by all the Powers, had deprived them of a seaport on the Adriatic. They were determined to assure themselves of an outlet through Salonika by advancing as far as possible towards that city and by establishing direct contact with the Greeks, instead of being widely removed from that contact by the intervening Bulgarian zone, which the strict terms of treaty would create. The Greeks, for their part, vigilant and dexterous, had refused to bind themselves by any territorial bargain. Resolved to keep Salonika and as much of southern Macedonia as they could secure, they were eager for a common frontier with the Serbs. Both Greeks and Serbs wished to prevent the rise of Bulgaria to a crushing predominance. As early as the middle of March they had agreed to make common cause against Bulgaria at need. This fact must always be remembered. The Bulgars had reason to believe that they were to be robbed of their dearest desire and what they held to be their indisputable right under their treaty with Belgrade, by a furtive and faithless bargain between the other Allies. In their intrigues with Vienna and in other ways, their own counsels were as unscrupulous and more imprudent.

Bulgaria made every mistake in procedure. Instead of frankly submitting the result to Russian arbitration according to the most vital article of the engagements, King Ferdinand and his soldiers relied on force to put themselves in equality of possession in the disputed districts before invoking the Tsar's judgment. After the final armistice with Turkey, their troops were removed from Eastern Thrace to the west, where Serbia and Greece, with better facilities, were concentrating every man and gun they could muster. On June 8, the Tsar telegraphed to Sofia and Belgrade a solemn appeal, re-



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Before the World War the Emperor William II of Germany met the Tsar Nicholas II on several occasions, and, it is said, endeavoured to exercise a kind of tutorship over him. The above photograph was taken at one of these meetings.



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In 1913 King George V and Queen Mary were present in Berlin for the marriage of William II's only daughter Victoria Louise with Prince Augustus of Cumberland. Seated in the carriage are King George and the former German Emperor.

minding them of their engagement to accept Russia's offices as arbiter. But Bulgaria had good reasons for not placing unconditional trust in the neutrality of St. Petersburg, where pro-Serb influence prevailed. Sofia demanded again and again that arbitration should be preceded by the admission of Bulgaria to an equality with her ex-Allies in the joint occupation of the disputed districts. This from the Bulgarian point of view was a just request, but it was rejected by Serbia, acting in harmony with Greece.

A few days afterwards Bulgaria admitted the blunder and the crime. The second Balkan War opened on a front about 70 miles wide. Overestimating themselves and far underestimating their opponents, on the ill-starred night of June 29, the Bulgars fell without warning on their Allies. The latter needed no warning. They were thoroughly prepared for all contingencies; for them, as the side in possession, superior morality was easy. The Bulgarian gamble led to military bankruptcy and national downfall. Never was cynical violence followed by a swifter and more merciless punishment. The rank and file of King Ferdinand's armies had not the same heart in this fight. The strategical illusion of the assailants was that they would at once break the connections between Serbs and Greeks, defeat the Serbs first, and deal easily with the Greeks afterwards. This conception proved a prodigious fiasco. The Serbs withstood the first assault, then smashed the Bulgarian front by counter-attack in triumphant battle. The despised Greeks instantly suppressed the Bulgarian detachment in Salonika and struck northward in a course of uninterrupted victories. Next Rumania intervened. Her armies crossed the Danube without opposition, and their blow in the back was a death blow. The Rumanian armies marched without opposition to within twelve miles of Sofia. The Serbians were pouring through the mountains into old Bulgaria. The Greek armies reached its frontier, while the Greek fleet annulled their doomed ex-Ally's fleeting conquests on the Aegean coast. By the climax of irony and tragedy the defeated Turks under Enver Bey walked back over the battlefield of Lüle Burgas and retook Adrianople. With savage atrocities on both sides, the fighting between the ex-Allies had been conducted in murderous disregard of life. Beset and beaten, Bulgaria cried for mercy. She was granted peace but not mercy.

1913 — EUROPEAN PEACE DOOMED

The Peace Conference met at Bucharest on July 30, and the resulting treaty was signed on August 10. In the two wars Bulgaria had lost 45,000 killed and over 100,000 wounded. She was now stripped of nearly all her conquests and otherwise mutilated. Rumania, without losing a man, obtained the Dobrudja on the north, giving her a far stronger command of the last 200 miles of the Danube before it flows into the Black Sea; westward the Serbs took nearly the whole of Macedonia; southward the Greeks took the rest of Macedonia and all the richest part of the Thracian coast; and eastward, by the supineness of the Powers, following the Treaty of Bucharest, the Turks were allowed to retain the larger part of Eastern Thrace, including Adrianople and Kirk Kilisseh. The punishment was more ruthlessly immoral than the Bulgarian folly and crime which had provoked it, and the results were to be infinitely more disastrous.

So ended the second Balkan War; and with its strange outcome vanished, as some brooding critics then declared, but as the mass of mankind would not believe, the last probability that the world's peace would be long maintained. European statesmen in many capitals claimed that with much difficulty they had localised the Balkan struggle. They had only for a brief

period postponed a general conflict by means certain to enlarge it. They had made Armageddon inevitable at a second, and not distant remove. Said the wise old King Charles of Rumania about the sinister instrument concluded in his own capital: "This is no peace but a truce and it cannot last." In the Balkans the sparks were never trampled out; in Austria-Hungary and Russia alike the embers remained hot and glowing; within a year the world was in flames.

FURTHER ATTEMPTS TO IMPROVE ANGLO-GERMAN RELATIONS — NAVAL RATIOS AND DIPLOMATIC RELATIONSHIPS

In one respect there was a lull, and as often happens it deceived many who had been previously sure-sighted. The one great hope for peace — if anything could now preserve it — was in the remarkable improvement of Anglo-German relations. What had been the gravest of all the dangers in the heart of affairs was mitigated, and to many it seemed to be removed. As between Berlin and London, a new habit of consultation and coöperation had been formed. By one of the supreme ironies of mortal things the Anglo-German improvement only precipitated the catastrophe. We must look closer for a moment into this curious chapter of world-history. After the Agadir crisis when they had stood on the brink of war and looked into a fiery abyss, the Liberal Government in Britain determined on a very strenuous and far-reaching attempt to arrive at a better understanding with the German Empire. The German Government, especially the Chancellor, Herr Bethmann-Hollweg, and the Foreign Secretary, Herr Kiderlen-Wächter, were as eager for it, though their ideas of what it meant were not the same.

In February, 1912, the British War Minister, Lord Haldane, undertook his mission to Berlin. His attachment from old student days to German life and mind was deep. His chief aim was to end the naval rivalry between the two countries by stabilising the relative strengths of their fleets. He proposed, in vain, a ratio of 16 to 10 for battleships in home waters. Germany thought this would leave her great maritime neighbour too strong in the North Sea, whereas for Britain anything less meant being no longer safe in the North Sea. As Count Reventlow has put it, the Kaiser and Admiral Tirpitz believed that "silent unswerving insistence" had worn down the British margin considerably and would wear it down more. The next and more critical question — as the European situation now stood — was that of diplomatic relations. Lord Haldane had asked in effect: "If we settle with you will you fall on France and annihilate her?" Germany's first proposal was one of unconditional British neutrality in case of war. This was too blankly impossible. The next proposal was for neutrality if Germany were not the formal aggressor. This would not quite do. The real aggressor can sometimes force or provoke another country into the formal initiative.

In short, Germany insisted that while she retained her alliances, Britain must desert her friends. The Kaiser's fixed objective, as for years past, was to break up the Triple *Entente*. Less than ever could the Triple *Entente* be dissolved in this way without any simultaneous dissolution of the Triple Alliance. The only result of Britain's isolated neutrality, as Berlin well knew, would be her ruin. France and Russia, indignant at what they could only regard as a British betrayal, would throw themselves into the arms of the Central Empires; and this would mean more certainly than ever before a solid Continental coalition to settle the accumulated accounts of world-policy at the expense of the British Empire. Bethmann-Hollweg was sincere, but like Bülow in a less airy way, and like every German statesman since Bis-

marck, he was in himself profoundly inadequate to the situation. In having to appear hopelessly one-sided by trying to retain Germany's alliances with one hand while breaking British friendships on the other, he could not help himself. He was the Emperor's mouthpiece and not the guiding statesman of a free Germany. Sir Edward Grey would not and could not break up the *Entente*, but he and the whole British Government declared their resolve not to join nor countenance any unprovoked attack on Germany; and the whole state and temper of democratic politics in Britain were a sufficient guarantee of the effectiveness of that pledge.

But though the Haldane negotiations were ineffectual for main purposes, relations between Britain and Germany became more friendly in a way that was temporarily of saving service to the world in the more perilous and even desperate situation created by the Balkan Wars.

THE CLIMAX OF ARMAMENTS — 1913

Nevertheless though the immediate conflict was localised, the first victories of the Balkan League had an effect upon the fears and precautions of the Great Powers which made the general situation far graver and more precarious than ever. Since the seizure of Alsace-Lorraine, all Europe had been turned more and more into an unexampled scene of national armies, barracks and fortresses, gun factories and naval arsenals, strategical railways and great manœuvres. These armaments now reached a stupendous climax. In the spring of 1913, Germany not only raised her peace-strength to 875,000 men, but adopted an extraordinary measure demanding from her citizens a capital levy equal to £50 000,000 sterling (or 250 million dollars) for that increase of equipment which revealed in the World War a terrifying mass and novel ingenuity of weapons such as no one outside Germany fully suspected. France had to reply, though with no growing surplus of population to call upon, as against the giant-vitality of her neighbour. The Third Republic increased its peace-strength by demanding sterner sacrifice from her individual citizens and went back to three years' service for every young conscript. It was perhaps the most iron thing yet done in peace by any democracy. The patriotic appeals necessary on both sides stirred up national passions and antagonisms. Russia, wretchedly deficient in railway transport, now borrowed from France two and a half milliards of francs (£100,000,000 sterling or 500 million dollars), to provide a more adequate strategical network such as in a few years would make her far more formidable. Austria-Hungary was startled and panic-stricken by the victories and expansion of the Serbs; and the war-party in Vienna was henceforth in the ascendant, believing that the existence of the Danubian Empire depended on attacking and crushing Serbia before she could consolidate her new strength for further efforts to emancipate the millions of her race under Habsburg rule. Russia from top to bottom was resolved to fight rather than suffer Serbia to be smashed. Germany was resolved to attack Russia and face a World War rather than allow Austria-Hungary to suffer the fate which had just fallen upon Turkey. For the Great Powers, and for lesser nations like the Serbs, these contingent resolves, with all their terrible implications, seemed to be matters of life and death necessity. "Tragedy," said Hegel in a noble and mournful phrase, "is not the conflict of right and wrong but of right and right" — as seen differently by conflicting minds.

FINAL EFFORTS FOR A NEW PEACE SYSTEM

So the ponderous systems of European armaments, towards the end of 1913, stood in vast array, throbbing but not yet moving. The stroke of an imperial pen, the touch of an official button, following perhaps the private impulse of some madman, might set this fearful machinery in motion. More than ever, Sir Edward Grey and the Liberal Cabinet in Britain (let it be ever remembered to their honour, despite their internal divisions and their consequent fatal tardiness at the last) strove for the improvement of Anglo-German relations as the only hope. After all the years of dispute, London and Berlin arrived at an agreement on the Bagdad railway, whereby the construction of the great line would be assured, Britain herself building the last link connecting with the Persian Gulf. Further, to give more colonial scope to Germany without war, the old question of the reversion of the great Portuguese territories in Africa was revived, and a secret compact provided that Britain would regard these regions as a German economic sphere. German pacific exploitation was to be unhindered by British competition. Even the polemics of the British and German press were now moderated. In London, Prince Lichnowsky, as sincerely devoted as Sir Edward Grey himself to the cause of conciliation, enjoyed more liking and influence than any German Ambassador had done for many years. Grey's policy, in a word, was to restore by degrees a new European Concert in which the Triple Alliance on one side, the Triple *Entente* on the other, would be like six pillars supporting the majestic entablature of the temple of peace.

BUT AUSTRIA-HUNGARY HAD BECOME IMPOSSIBLE — MAZZINI'S PROPHECY — GERMANY VERSUS RUSSIA

Why were these efforts thwarted? They were thwarted as we shall now see by one simple fact, but of an enormous and sinister simplicity. The World War was now to come — swiftly in a few months, as with "Tarquin's ravishing strides" — because, as a result of the Balkan Wars, the existence of Austria-Hungary was impossible. When Mazzini had declared 60 years before, "the Turkish question will no sooner be settled than the Austrian question will be opened," he was at the height of his vision, and prophesied the manner of the end of the old order in Europe.

We now take up the main thread where we dropped it at the Treaty of Bucharest. When we seek a clue through the maze of small events between the fatal August of 1913, and the merely consequential August of 1914, we shall find that clue in the conviction of the Habsburg war-party that before the new Serbia could consolidate, and before recovering Russia became too strong again, a struggle for existence must be faced and even precipitated. At least the Balkan League was broken. Its maintenance would have been the insuperable barrier.

The ink was no sooner dry on the Bucharest Treaty than the war-party in Vienna pressed Italy to join in the attack on Serbia. Italy refused. Austria then pressed for a diplomatic revision of the Treaty in favour of Bulgaria. This was prevented by Germany. The Kaiser thought it more important to support Rumania and Greece. He expected those nations to be more useful Allies in case of ultimate conflict, and his personal feeling played its part. He was intimately friendly both with King Charles and King Constantine, while he detested Ferdinand of Bulgaria. Revision was defeated and the Treaty stood, though, as we recall, the wise old Charles himself had said:

"This is no peace but a truce and it cannot last." Albania set up by all the Powers to keep Serbia from the sea, was a cockpit of anarchy. Not before October 20, 1913, could the Serbs, still occupying a portion of Albanian territory despite the Treaty, be induced to withdraw by renewed Austrian menaces. But Serbian agitation on that account flared only the more violently both within and without the Habsburg Monarchy. The Greeks were still slower in withdrawing their troops from that southern area of Albania which they looked on as part of their own Epirus. Worst of all, from the standpoint of Vienna and Budapest, on the side of the Rumanian people they had lost an old ally and made a new enemy. The Rumanians, like the Serbs, now agitated for reunion with the millions of their race living under Magyar oppression, but these aspirations could only be realised by the break-up of Austria-Hungary. This seething situation in the last winter of peace was aggravated by a direct and malign quarrel between Germany and Russia.

The defeated Turks, who had so unexpectedly recovered Adrianople and Eastern Thrace, had set themselves to strengthen their forces by sea and land. For this latter purpose, towards the very end of 1913, a German military mission arrived in Constantinople. Its head, General Liman von Sanders, was appointed for five years not only to reorganise the Ottoman army but to command personally the Turkish First Army Corps at Constantinople. In the sensitive circumstances of that moment there could have been no ruder challenge of St. Petersburg. All the *Entente* Powers protested. In Russia there was an explosion of wrath. Within five years great railway extensions in Asiatic Turkey under German auspices would be constructed. Turkey, equipped for mobilisation and strategical movement as never before — and certain to be the more anti-Russian — would be a military as well as economic appendage of Germany. All this threatened Pan-Germanism in action with a vengeance, in the manner afterwards realised. Germany gave way; Liman von Sanders remained in Turkey as adviser and inspector, but his appointment to command the Constantinople army corps was revoked. The relations between Berlin and St. Petersburg were not again good. Russia believed that Germany had revealed herself as the real antagonist looming behind both Austria-Hungary and Turkey. After nearly a quarter of a century the situation most dreaded by Bismarck had come to pass.

OPENING OF 1914 — JANUARY TO JUNE — AUSTRIA'S NIGHTMARE — FEVERISH DIPLOMACY TO ISOLATE SERBIA — THE VIENNESE WAR-PARTY — WAITING FOR A PRETEXT — THE KIEL FESTIVITIES — PEACE DOOMED

Under these deep shadows 1913 closed, and 1914 opened. Believing in the nearness as well as inevitableness of war, and dreading the simultaneous hostility of Russia, Rumania and Serbia together, Viennese diplomacy worked incessantly to prevent "encirclement." This was no longer a pretext of aggressive statecraft. On the part of Austria-Hungary, with its eleven discordant races and sub-races — a polyglot medley of elements mutually repellent, a loosening mosaic — the fear of envelopment and total destruction was now a real nightmare. Differences with Berlin increased the distractions and anxiety of Vienna. William II was still belated in his views, unwilling to believe that Rumania after 30 years of adhesion to the Central Empires must be written off as a sure asset and inscribed as a probable liability. In March, 1914, a more urgent view of the seriousness

of Russian developments brought Berlin into line with Vienna on the policy of trying to secure at all costs alliances with Bulgaria and Turkey.

At St. Petersburg as at Vienna, it had been secretly decided that war being unavoidable and perhaps rapidly approaching, preparations must be made in that sense. This tendency was revealed and denounced in the German press obviously on semi-official suggestion. Amongst Germans in their turn, this meant a further definite increase of the feeling that they would have to face war, sooner rather than later. Throughout the spring and early summer, surcharged with fate, the rival agitations and negotiations went on. For Vienna, working night and day to isolate Serbia, the immediate results were disappointing. Bulgaria could not be brought into a definite alliance, still less Greece.

On the other hand, the defection of Rumania became as evident as alarming. The Tsar visited that country and the exchange of toasts on June 14, 1914, left no further doubt that Rumania was finally lost to the Central Empires. Italy they less than ever could depend upon. Count Czernin, then Austro-Hungarian Minister at Bucharest, warned Vienna that King Charles of Rumania, though a Hohenzollern, could not hold his people to the Triple Alliance, and might be unable to restrain them from fighting against it.

In Vienna as in Berlin on the other hand, Britain's neutrality in case of a European war was taken for granted. Britain for one thing had trouble enough on her own hands, for an Irish civil war seemed certain to break out in a few weeks. Russia's internal organisation, it was thought, could not stand the strain of war but would collapse in revolution. Reckoning up the advantages and disadvantages, the Austrian war-party had come to the conclusion that it was "now or never," and that the first good pretext for drawing the sword must be seized. Events following the murder of the Archduke Ferdinand cannot be understood unless we realise the pre-determined and urgent character of Austrian views on the very eve of that crime.

On June 12, the German Emperor and the Habsburg heir-apparent met amidst the latter's famous rose-gardens at Konopischt in Bohemia, and, talking of more than flowers, they even discussed "every possible question and were able to arrive at complete agreement." What agreement? We can only guess it from the immediate procedure in Vienna. On June 22, General Conrad von Hötzendorff drew up a memorandum expressing once more the views of the General Staff. The peril of "encirclement" was intolerable and must be grappled with before it became fatal. In the first place the uncertainty on the side of Rumania must be cleared up. That nation must be forced to declare whether it adhered to the Triple Alliance or not. If not, Bulgaria must be gained as a substitute whatever the promises required to win this priceless Ally against Serbia at least and against Rumania at need. Following the soldiers, the Austrian statesmen drew up a second memorandum intended to convince the German Government. (It only arrived in Berlin after the assassination.) Count Berchtold represented that the most urgent efforts must be made to gain over Turkey and Bulgaria at least, Greece and Rumania, if possible, with the object of destroying Serbia as an independent Power in the Balkans.

Note again that all this happened a few days before the Serajevo murders. These were a pretext, not a cause. Peace was already doomed. The Austrian war-party were determined to strike, but let us do justice even to their part in the supreme human tragedy of all time. They wished to fight like cavaliers for loyalty, as they understood it, no less than for existence. Austria-Hungary had become impossible in the old shape. It was the fact that nothing

but battle and victory could give the Habsburg Monarchy a chance to perpetuate itself on a new basis.

While "the hour had struck though they heard not the bell," mankind allowed itself to be misled and even amused by outward shows. The curious external irrelevancies which usually accompany the great strokes of human destiny, public and private, did not fail. The Kiel Canal had been enlarged, chiefly that it might serve at need as a bigger instrument of war. Its completion at that moment was one of the factors helping to hasten war. The festivities, however, were attended by the beflagged ships of many nations, including a British naval squadron. Not for a decade had Anglo-German relations seemed more cordial. Upon the music and the gaiety broke a thunderclap and dispersed the revellers. Black news came from Austria. William II was aboard his yacht when a telegram was put into his hands. He read it aghast. To the Prince of Monaco who stood beside him, he exclaimed: "Now everything I have done has to begin all over again." The Austrian heir-apparent, with whom he had agreed on all questions in the rose-gardens of Konopischt only 16 days before, was dead and the world's peace with him. Eclipse fell on the Kiel festivities. The German Emperor left for Berlin.

MURDER OF THE HABSBURG HEIR-APPARENT BY SERB FANATICS — AUSTRIA'S "NOW OR NEVER" — BERLIN AGREES

The Archduke Franz Ferdinand, with his consort, was murdered on Sunday, June 28, at Serajevo, the capital of Bosnia and Herzegovina. Serbian agitation regarded these lands, not only as captive provinces held by Austria, "the gaoler of the Slavs," but even as the most precious parts of unredeemed Yugoslavia. The two actual assassins were Bosnian subjects, fanatical striplings aged twenty. Two of the accomplices came from the Serbian Kingdom, but no grain of evidence was ever found by Austrian agents to justify the charge — partly passionate, partly calculated and unscrupulous — that the Belgrade Government and its officials were the authors of the crime. Yet the Serbian racial movement, like every other movement of its kind, whether in the Balkans in the east or in Ireland in the west, was full of murderous propensity, and the Serajevo murders were a crime of barbarous atrocity. By wholesome human instinct, the general opinion of the world for the moment was estranged from the Serbian race after this murder most foul. The more natural and furious was the rage of the German and Magyar elements in Austria-Hungary.

These various revulsions of sincere human feeling and passion, though genuinely shared by the Viennese war-party in the first instance, were in the next exploited by it with a mixture of ruthless perception and infatuated blindness. In their military and political memoranda of a few days earlier, they had urged the isolation and annihilation of independent Serbia before it was too late. They had been waiting for a good pretext. Here was a pretext favourable beyond their dearest dreams. The Archduke, though devoted at the core to his own interest, and to a high sense of Imperial duty, had promised to be a rash, hard and thankless master. Little regretted, the pathos of his death might be used to invaluable purpose by those who had not loved him. Serbia seemed in moral quarantine. The Tsar, living in dread of his grandfather's fate, would be repelled by the Serajevo assassinations. It was "Now or Never." Berlin agreed.

After the assassinations there never was a chance for peace. The diplomatic distractions of the following month must be shown in dated order:

June 30, 1914. A report bearing this date from his ambassador in Vienna was annotated on receipt by William II as follows: "It is exclusively Austria's business to decide what she ought to do. If things turn out badly we can say Germany did not want this. . . . The Serbs must be finished as soon as possible . . . now or never!"

July 2. The Austrian case, mostly drawn up just before the assassinations, for a final reckoning with the Serbs, was sent to Berlin.

July 5 and 6. The Austrian case, received in Berlin by the Emperor, then considered by the Imperial Chancellor and other leading personalities, military and political, was approved without reserve. Austria-Hungary must be supported against Serbia, even at the risk of war with Russia, which, however, was thought to be unlikely owing to Russia's general incapacity and to the Tsar's particular feeling against regicide assassins. With a view to any eventuality, preliminary war-measures were ordered from Potsdam. This unrestricted encouragement to Vienna was fatal.

July 7. William II left for his holiday in Norwegian waters. A Council of Ministers held at Vienna decided to send Belgrade an ultimatum framed in terms to make acceptance impossible, and war with Serbia certain. Count Stephen Tisza, the Hungarian Prime Minister, opposed so extreme a course, but was overborne. Herr Tschirsky-Bögendorff, the German Ambassador at Vienna, reiterated assurances of unwavering support.

July 8 to 13. Austrian agents, sent to investigate, reported from Bosnia that no connection between the murderers and the Serbian Government could be traced. But Conrad von Hötzendorff, Chief of the General Staff, pronounces that the crisis is the last good military opportunity — less favourable than in previous years but more so than could be expected in the future. That settled it.

July 14. The die was cast: it was decided in Vienna to send Serbia an ultimatum with a short-time limit, but so framed as to make peaceful acceptance impossible.

July 17. The final draft of the ultimatum was approved by the Emperor Francis Joseph.

July 19. A conference of Austrian Ministers decides that Serbia must be dismembered, the territory taken from her not to be annexed to the Habsburg Monarchy but to be distributed between Bulgaria and Albania. (The Kaiser's marginal comment on this question was: "Austria must become proponderant over the smaller States at the expense of Russia, else there will be no peace." On this date he ordered the German battle-fleet not to disperse.)

July 22. The text of the Austrian ultimatum was communicated to the German Foreign Office. But the day before it had probably been telegraphed from Vienna direct to the German Emperor whose first feelings were elate. He had thought Austria incapable of so much pluck. As for Slav States "just tread firmly on the feet of this rabble."

July 23. The ultimatum was presented to Belgrade at six o'clock on Thursday afternoon. It demanded the condemnation and rooting out of the agitation for Greater Serbia. Societies and publications in connection with it must be dissolved and suppressed. Officers, officials and teachers, to be named by Vienna, must be dismissed from the army, the administration, and the schools. Austro-Hungarian representatives on Serbian soil must be allowed to collaborate with the native Government in extirpating the Greater Serbia movement and to take part in judicial investigations and criminal proceedings concerning persons suspected of complicity in the Serajevo murders. A reply was demanded in 48 hours — that is, by six o'clock on the evening of Saturday, July 25.

July 24. The world began to awake. The Austrian demands meant the annihilation of Serbian independence with irreparable humiliation and débâcle for Russia in the Near East. Persistence in these aims by the Central Empires meant forcing a general war. But on this day Berlin took the wrong step. A German note announced that the Austro-Serbian dispute must be settled by Vienna and Belgrade alone; any intervention by another Power might have "incalculable consequences." This was indirectly an ultimatum to Russia, even graver than the Austrian ultimatum to Serbia. On the one hand it destroyed the basis of that Anglo-German mediation which had done so much to preserve the peace in 1912–1913 and whereon Sir Edward Grey was relying to preserve it still. On the other hand the desertion of Serbia by Russia was impossible as involving unparalleled shame and abasement in the sight of all Slavs. Russian intervention in some shape was inevitable, war or no war. Nevertheless, Britain and Russia began at once to work for the extension of the time-limit allowed to Serbia. Only 24 hours remained.

July 25. Russia announced in effect that if necessary she would resist the Austrian war-party by force of arms. Vienna refused to prolong the time-limit. To its disappointment, the Serbian answer, delivered within the appointed hours, was not the hot-headed defiance expected and desired by Vienna but carried conciliation to the extreme. It accepted everything except the dismissal from their posts of all Serbian subjects whom Austria might choose arbitrarily to indicate; and the mortal injury to Serbian sovereignty and self-respect that would be inflicted by submitting Serbian judicial proceedings to the domination of foreign delegates. Further the Belgrade Government offered to submit to arbitration. As Vienna's object was rupture, not settlement, the Austro-Hungarian Minister by pre-determined policy, without giving the answer half an hour's consideration, declared it to be unsatisfactory and left Belgrade.

July 26. Austria mobilised eight army corps for the "execution" of Serbia.

July 27. Active military preliminaries in Russia. The German Ambassador at St. Petersburg, Pourtalès, declares his conviction that Russia will give way; and this emotional, muddling diplomatist seriously misleads his own Government. On the afternoon of this date, the Kaiser returned and learned the full text of the Serbian answer. He realised that Austria has no longer any grounds for war, but yet thinks she ought to complete a brilliant diplomatic victory by a limited invasion and by the occupation of Belgrade. He still vetoes Russian interference. Sir Edward Grey, however, now makes the firm proposal that, as at the end of 1912, the question shall be submitted to a conference of ambassadors in London. Prince Lichnowsky warned Berlin that if the Central Empires refused all concessions they would be regarded as deliberately aiming at war, and British neutrality could no longer be assumed.

July 28. Germany disastrously rejects the Grey proposals. "Austria could not be asked to appear before a European Court of Areopagus." The Kaiser, however, is now uneasy and advises Vienna generally against war, yet at the same time still urges what would make war inevitable: the limited invasion of Serbia. "This must be done in such a manner as to give Austria a pawn — Belgrade. This is necessary also in order to give to the army which has been three times mobilised in vain, the appearance of a success in foreign eyes." William II also remarks, "The Serbians are Orientals and consequently deceivers, liars, and hypocrites." In the evening Austria by open telegram declares war on Serbia.

July 29. The Austrians not wholly knowing what they do, begin the

World War, firing its first shots by bombarding Belgrade. Russia orders the mobilisation of 13 army corps to be sent against the Austro-Hungarian frontiers. The German Ambassador in St. Petersburg, still relying upon the effect of a second appearance "in shining armour," as in 1909, warns Russia that if she does not stop her military preparations, Germany must mobilise and that would mean war. For technical reasons, partial mobilisation, against Austria-Hungary alone, would leave Russia helpless against Germany, and accordingly the Tsar consents to general mobilisation.

Late that night he revokes this order upon receiving a telegram from the German Emperor, who states that he is using "all my influence to induce Austria to come to a loyal and satisfactory understanding with Russia." The Tsar's orders to suspend general mobilisation were disregarded by his Minister for War, General Sukhomlinov, who believed Russia was drifting into deadly danger as a result of "order — counter-order — disorder," and who "lied to the Tsar"; but this disobedience had no real influence on events, since the Central Empires still insisted that Russia should stand helpless while the bombardment of Belgrade went on.

Late that night the German Chancellor sent for the British Ambassador, Sir Edward Goschen, and made a bid for England's definite neutrality by proposing the "shameful bargain" — that Britain should stand aside if Germany promised in case of the defeat of France not to annex any part of it (no similar engagement with regard to the French colonies was suggested).

July 30. "Willy" in an early hour received from "Nicky" the following pathetic telegram which was long concealed from the knowledge of the German people:

"I beg of you to clear up the cause of this difference. It would be much better to submit the Austro-Serbian problem to the Hague Conference. I rely on your wisdom and friendship. *Ton Nicky qui t'aime.*"

Herr Bethmann-Hollweg, the German Chancellor, now thoroughly alarmed, telegraphs to Vienna his fear "of a conflagration in which, from all appearance, Italy and Rumania will not be with us, and Britain will be against us. . . . The political prestige of Austria, the honour of her arms and her justifiable complaints against Serbia may be sufficiently safeguarded by the occupation of Belgrade or other places. By humiliating Serbia, the monarchy would strengthen its position both in the Balkans and in regard to Russia. . . . We are compelled to recommend most urgently for the consideration of the Cabinet of Vienna the acceptance of mediation." This only repeated the previous contradiction in terms — moderation and peace were enjoined, yet Austria was to continue the challenge to Russia by continuing the war on Serbia. The German Government then, as previously, and often later, was psychologically blind. The world's peace hung on a single thread. That thread was broken by German refusal to advise Austria to discontinue the armed onslaught on Serbia.

Russia telegraphs to Berlin that she will stop her military preparations if Austria will cease the attack on Serbian independence and submit the dispute to some manner of European tribunal. Germany merely insists in return upon the unconditional discontinuance of Russia's military preparations. The Tsar who throughout these days had been in a state of pitiable trouble, finally ordered the general mobilisation entreated by his advisers, and it was decreed at four o'clock in the afternoon. This was a political mistake for two reasons: It gave a very strong argument to the German General Staff with whom it was a cardinal principle that Germany's life or death depended upon lightning rapidity of mobilisation by comparison with Russia; and German popular opinion even amongst the Socialists was naturally indignant and misled.

Up to this black day, Britain, by a firm declaration that in case of war

it would stand with all its strength by the side of France and Russia, could probably have saved the world's peace; but such a declaration by the irony of fate had been prevented by the section of the British Cabinet most friendly to Germany and least friendly to Russia. Now it was too late.

July 31. The Russian mobilisation decree issued at dawn was received with enthusiasm. The Tsar telegraphed to the Kaiser: "It is technically impossible for me to suspend my military preparations. But so long as conversations with Austria are not broken off my troops will refrain from taking the offensive anywhere. I give you my word of honour on that." This was sincere. It was certain that the hapless Tsar would not without further and extreme provocation proceed from mobilisation to hostilities. Germany, however — and so far she could do no otherwise — at once announced: "*Kriegsgefahrzustand*" which meant the immediate calling up of the reservists, and the closing of the frontiers. On learning this, the Tsar's last appeal to the Kaiser entreated "that these measures do not mean war and that we shall continue our negotiations to save the general peace so dear to our hearts." The mobilisation of all men between the ages of 19 and 42 was decreed by Austria-Hungary. The decree had been framed on the previous day, and was issued before the Russian decree was known. Germany without formal order had been intensely mobilising in vital respects for some days.

What was happening was the fatalistic result of more than 40 years of European history, and it was a tremendous thing surpassing all that had been imagined by Samuel Butler in his symbolic romance *Erewhon.* "The machines were in motion." Austria-Hungary at the last moment accepted the general principle of Sir Edward Grey's proposal for mediation by the four Powers, Britain, France, Germany, Italy, at a conference in London; but accompanied this by the old impossible condition that while Russian measures must cease, the attack on Serbia must continue.

In fact all was over. "The machines were in motion," and nothing could stop them. In Berlin the Great General Staff was in command. It was decided to send the final ultimatum to Russia. The German Ambassador was instructed that even if France desired to remain neutral she must hand over to Germany for the term of the war the keys of her eastern frontier, the great fortresses of Verdun and Toul. At eleven o'clock on this Friday evening Count Pourtalès presented himself at the Russian Foreign Office and announced that if within twelve hours Russia did not revoke her mobilisation, the whole German army would be mobilised and "mobilisation will inevitably mean war." But there was no equal and saving suggestion from Berlin to Vienna that Austria should simultaneously demobilise. Germany, after five years, had re-appeared "in shining armour" and it was a terrible apparition; but Russia could not bow to a one-sided and unconditional veto.

August 1. Pourtalès arrived at the Russian Foreign Office at seven in the evening and presented the German declaration of war. Sazonov replied: "This is a criminal act of yours. The curse of the nations will be upon you." General mobilisation was ordered in France, almost at the same time as in Germany; but continued British indecision in consequence of the divisions in the Cabinet caused agony in Paris. Britain had refused repeatedly in the previous twelve months to enter into any binding alliance with France and Russia. Her treaty obligation was to defend the neutrality of Belgium. In response to Sir. Edward Grey's enquiries, France had unreservedly agreed to respect that neutrality, but Germany had evaded the question.

August 2. Sir Edward Grey, on his own responsibility, agreed to defend the northern coasts of France against the German fleet since France by arrangement with Britain had long since transferred her main naval forces to

the Mediterranean. The divided British Cabinet holds agitated sittings throughout the day, but is finally decided to face war by the news of German action. German forces had entered Luxemburg in violation of the neutrality guaranteed by Germany herself. The Kaiser's Minister at Brussels had announced the greater violation of Belgian neutrality, by demanding free passage for the German armies. Italy repudiated the Triple Alliance and decided upon neutrality.

August 3. Germany declared war on France. Belgium, though small and weak, declared that she would fight at any cost against the unparallelled iniquity of unprovoked invasion, and the equal perfidy of her violation by one of the guarantors of her neutrality. King Albert appealed to Britain. Sir Edward Grey's great speech in the House of Commons commits Britain directly to support Belgium and indirectly to support France and Russia.

August 4. Britain's ultimatum to Germany offers the choice between respect for Belgian neutrality or war at midnight. The German Chancellor in the Reichstag admits the moral wrong of violating Belgium, but proclaims the practical necessity. Later in the day Herr Bethmann said to the British Ambassador: "Just for a word — 'neutrality,' a word which in war-time had so often been disregarded, just for a scrap of paper — Great Britain was going to make war."

WORLD-POLICY ENDS IN WORLD-EXPLOSION

While this tragedy of all time had been moving to its climax, there had been weeks of splendid summer, and August opened with golden days. From that warm midnight of the fourth day when Britain and her sea-power swept into the conflict, earth and ocean were shaken by the clash of empires, and from the first all the continents were more or less participators in the action and wholly involved in the consequences. The control of vast territories and economic spheres, the fate of historic dynasties and of modern democracies, the rise or fall of many peoples, great and little — these were the stakes. That word must be used because the struggle on the part of the Central Empires was a stupendous gamble, induced by profound miscalculations.

It was just about 20 years since those months of 1894, when Japan had overthrown China; when Nicholas II, with his Trans-Siberian interests and Far-Eastern dreams, had ascended the throne; when William II had adopted a new course of policy revealed after Shimonoseki and looking to the creation between the Anglo-Saxons and the Slavs of a third sphere of world-empire. He had urged Russia towards her downfall in Manchuria. His Nemesis was Russia's return to the Nearer East where his Bagdad project, his patronage of the Turk and Islam, with the Balkan consequences, crossed her path. Simultaneously, in a manner which Bismarck would have thought demented, he had with deadly method, yet with foolish advertisement, challenged the maritime conditions of British existence. Instead of dividing British forces, he had concentrated them. He had destroyed the overwhelming Bismarckian system of alliances and connections by losing Italy and Rumania at last, as well as Britain long before; and instead he had built up against himself the mighty combination of Britain, France and Russia, linked to Japan. In all his diplomatic and military forecasts about the results of previous *coups* and smaller struggles, his judgment had been consistently wrong. The method of humiliating menace, the methods of Tangier, "Shining Armour," Agadir, and, at last, of Serbian "execution" — were certain to lead to the end of peace. By the Tsar's vacillating weakness and by the revolutionary under-swell in Russia, by the divisions in the British Cabinet,

and the chaos of British politics in view of Irish civil war, he was somewhat more excusably misled; and yet more creditably — let us admit it — by his belief with the Habsburg war-party that in July, 1914, it was a question of "Now or Never" for Austro-Hungarian existence. He was tied by every bond of real loyalty as well as of false sense of interest to the obsolete Habsburg system whose existence in the old shape — on terms of German and Magyar ascendency over the majority of other races in that medley — had become impossible, yet which could not be changed without war. In these circumstances, the final alienation of Russia was suicidal, and worse had come about than the worst that the Iron Chancellor's prophetic instinct had foretold so long ago, when the man who had made the German Empire was so thanklessly dismissed.

There was more than that. National fears, passions, and resolves had been aroused on every side. National armaments had been raised to an unparallelled magnitude. Under the push of the Serbian ultimatum the armaments began to move of themselves and resistlessly. The Tsar entreated that mobilisation might not mean war. It would have been an effectual argument in any former generation. Now it was null. If it came to the worst, all would depend, for Germany upon the instant swiftness of superior organisation. Three days' hesitation at Berlin might turn the scales against Germany for ever. To restrain Austria firmly in the last days of July was the only wisdom, but it would have required a Bismarck to do it. These lesser men held Germany to be so deeply committed, that to retreat would be fatal to the prestige and prospects of both the Central Empires alike. And in spite of all, they counted on dazzling victory in a short war. The German machine was the readiest and mightiest of all, and whether anything on earth could stand against it had yet to be known. As M. Maurice Paléologue, the French Ambassador at St. Petersburg, writing in his diary, says: "Compared with the underlying and remote causes which have produced the present crisis, the incidents of the last few days were nothing . . . there was no longer any will capable of withstanding the automatic mechanism let loose."

World-policy had come to the world-explosion. The long-gathering, pent-up forces and passions, whose growth we have seen in these pages, burst out in conflagration and terror, more like the Apocalypse than like any real chapter of mortal transactions. As surely as the outbreak of the wars of the Reformation or those of the French Revolution, it was the end of an age and the beginning of that new incalculable epoch of human destinies whose main purport no one living can yet begin to measure.

CHAPTER II

HISTORY OF OUR OWN TIMES — *Continued*

By J. L. Garvin

War Engulfs the World (1914–1918)

We are concerned here with the interpretation of the forces and movements of our time — with the great relations of cause and effect — with the philosophy of latest history rather than its detail. The World War itself towers over all this period like a mountain-range with a long approach on one side and a broken precipitous descent on the other. But events themselves on their giant scale are clearer; their subsequent effects must chiefly engage us; and though it is necessary to indicate the essentials of the martial narrative, the survey here of this climax of human action must omit a thousand things of significance or attraction.

SEA-POWER IN HISTORY AGAIN

When the struggle began, Mahan's famous phrase about Nelson and the *Grande Armée* gave the keynote. The British fleet, on which the German armies never looked, stood between them and the dominion of the world. Sea-power was not yet the certain pledge of final victory, far from it; but it was the assurance of a long fight. The Admiralty in Whitehall had gripped the initiative. A few days before the European rupture, the far-stretched line of British ships, measuring leagues from end to end, had steamed northward and was safely concentrated at its war-stations. For all decisive purposes, its command of world communications, held from the first hour, was never shaken. The original Tirpitzian theory, that its strength would be dispersed in distant regions, or that at least its squadrons might be attacked in detail before effecting concentration, was a dream withered in a night. Even so, it might have been better for Germany to force naval battle at once against heavy odds before these odds became more hopeless; but injury to German military confidence in case of defeat was feared. The German High Sea Fleet, for which all had been risked, a ponderous and masterly creation, resigned itself to the dullest part, and remained a cipher, relatively to the conditions of the world-struggle. The U-boats were its fierce substitute too late. Receiving with wrath and execration the news that Britain stood by her friends and engagements, the German Emperor remarked: "They are an obstinate people; the war cannot be short." Henceforth his own rôle was insignificant, except that his inadequacy was of disservice to his people.

THE MIGHT OF GERMANY

That great people had now to be reckoned with. The war was to be an epic of Germany against the world. Magnificent in every element of fighting and working strength, but ill-informed and politically helpless, they were told that the struggle had been forced upon them by the aggression of the

Slavs and the perfidy of Britain. Believing their cause to be just and right, they rose for it with the Teutonic fury.

In the west, the worst anticipations of the German shock were staggered by its speed and mass. For a moment, little Belgium was an irritating obstacle. The defence of Liége threw back the German time-table by about three days and this was serious. But after that, the Schlieffen plan, revised and perfected for so many years, went like clock-work. By mid-August the German armies were sweeping through Belgium, and as they passed through Brussels and elsewhere, their order and weight and endless numbers seemed like some irresistible mechanism, which nothing else in human power could withstand; and this had an almost hypnotic effect upon observers. Smashing in 48 hours, by their new siege-howitzers, the key-fortress of Namur, they entered singing. Namur, thought almost impregnable and at least certain to be a stubborn bulwark, was the pivot of the Allies' plans in the critical quarter. Its fall was like a knell.

From Charleroi and Mons, after brave but hopeless battle, the inferior French and British forces were driven into desperate retreat. They were threatened with envelopment and destruction by the colossal wheeling movement of the enemy. Nothing like it had been conceived. In the last days of August the Germans were over the French frontier — pouring like an inundation through northern France and furthest in advance upon the roads bearing straight on Paris. Next, news from East Prussia reported the annihilation of the Russian invaders at Tannenberg. On Sedan Day, September 2, 1914, the German people and its troops reached the highest pitch of exultation and confidence they were to know. The British contingent — "the Old Contemptibles" — they thought already broken beyond repair and, not yet knowing some other facts, they expected within a few days to undo the French armies in a way that would throw the Sedan of 1870 into the shade.

This expectation might well seem to the Germans most reasonable. So far the French Command, after 40 years for reflection, had been more completely surprised than in 1870. The French nation had been admirable in composure and celerity. It had mobilised well. It had equal numbers in the field; but the Higher Command, misled by vivid pre-conceived ideas, had made every mistake in disposition and manœuvre. They did not think the enemy would throw more than 22 army corps into the western theatre, but the Germans had launched 35. Unprepared for anything like the breadth and magnitude of the invasion through Belgium, the French had massed towards the east, leaving themselves utterly weak against the real and overwhelming peril on the other wing. Joffre's sanguine offensives were prematurely attempted in the wrong direction. Awakened fully though late, instead of losing nerve, he rose to the height of his task and won fame. Holding on at all costs to the solid rampart of the eastern fortress line, he ordered all the rest of his battle front to abandon the defence of the frontiers. They eluded the German swoop by retreating pell-mell. Even to this backward rush, which might have broken the military *morale* of any people, the steadiness of this new France was equal. Following that September 2, Sedan Day of 1914, which found the Germans counting with unquestioning exultation on another Sedan, the French ranks were beyond the Marne, solidly re-aligning for immortal battle.

THE MIRACLE OF THE MARNE

German strength, though nearly overwhelming, fell just short. It was not equal to the grandeur of the conception. They had been compelled to send two army corps from the west to East Prussia. Under-estimating their

antagonist, then as so often after, they caused their right wing to swerve inwards when it was bearing direct on Paris. Drawing closer together, they risked the attempt to thrust in between Paris and the French armies. That confident manœuvre changed the course of history. From the side of the metropolitan fortress, the exposed flank of the invaders was attacked. The battle of the Marne began. For days the world held its breath. The Germans, abruptly awakened to alarming possibilities in their turn, strove, while guarding their threatened flank, to batter through the French defence. Strained to the limit it was heroically held, above all where Foch commanded. Playing, according to their modest numbers, a subsidiary but essential part, the British were in the battle, not out of it. Six weeks had been allowed for the destruction of France. Precisely at the end of those six weeks, the German plan, matured for 40 years and then wonderfully attempted, had failed. The "miracle of the Marne" was a French victory. The war was now certain to be long indeed, even on land. If this could have been foreseen, the conflict never would have been faced. Nothing could bring back that yesterday when delay, mediation, the submission of the whole dispute to The Hague or to a conference, had been successively refused.

Yet the Marne was but a victory of prevention. While it saved the Allies, the invaders were foiled, not overthrown. The retreat of the German armies was unbroken, defiant, purposeful. The Allies' hopes were deceived. The German nation facing the crisis of its being with iron fibre, rose to its most formidable capacity.

On the eastern front, also, the visions of a short "Hurrah-war" were over. On that side, too, for a moment the hopes of the Allies had risen to zenith. By the gallant promptitude of their irruption into East Prussia, the Russians had helped the Allies, but bruised themselves. After spreading consternation in the beloved Hohenzollern province, of two Russian armies, one was hoodwinked when within two days march of Königsberg, while the other was dealt with, Enmeshed amongst the Masurian lakes and marshes, Samsonov's group was totally destroyed. Over 80,000 prisoners and hundreds of guns were taken by the Germans. Tannenberg was a Napoleonic victory, won by two men, of whom more was to be heard — the rugged veteran Hindenburg and his younger Chief of Staff, Ludendorff, who was to prove one of the dominant personalities of the World War. But even the eastern picture when it seemed radiant was suddenly darkened.

Trenchantly as the Germans had triumphed in East Prussia, far to the south great Habsburg armies as disastrously fell before the main Russian attack under the Grand Duke Nicholas. The Austro-Hungarian forces had been thrusting into Russian Poland, hoping to conquer that region, and further to paralyse Russia by breaking even such wretchedly deficient railway communications as she possessed for the purposes of movement against the Central Empires. The Tsar's generals, by admirable combined strategy on a front over 200 miles wide, baffled the long-studied plans of Conrad von Hötzendorff — the most urgent of European war-makers as we have seen — and shattered the hosts of Francis Joseph. In Galicia, the Habsburg frontiers were forced. Lemberg, the key of all the region, was taken on Sedan Day, though the news did not arrive in time to cloud German rejoicing. While the battle of the Marne swayed in the west, what may be called the battle of Galicia raged in the east. Both grapples were begun and ended almost simultaneously, but the Austro-Hungarian armies were far more heavily vanquished. Broken right, left and centre, some were driven through the Carpathian mountains, some were thrown back on Cracow, and some were isolated and besieged in the fortress of Przemysl. Expecting to thrust before long into Silesia — part of Germany's industrial vitals — and deep into Hungary, the

Russians were at this moment even higher in hope than the Allies in the west and were even more deceived. For France and Britain the goal was still years away. For Russia it was never to be reached.

FROM THE MARNE TO THE SEA

In ability and technique German organisation now showed its supremacy. Advancing from the Marne, the Allies, within little more than 48 hours, were brought up short. They found the enemy impregnably fortified upon the bold heights, with their spurs and ravines across the river Aisne. Crossing the stream in hard fighting, the French and British found frontal attack useless. Each army began to extend its lines in the attempt to outflank the other. In this way, a sudden and astonishing development of the war came almost of itself. For weeks a continuous battle, like nothing yet known, rolled northward and still northward further and further, until at last it reached the sea, nearly 150 miles away from the stalemate on the Aisne. No movement of the war was stranger; none more sinister for both sides as foreshadowing a war of years—Kitchener already thought three years—murderous beyond all record, demanding millions of lives thrown in like coals into a furnace. For hundreds of miles the rival lines of trenches and barbed wire stretched unbroken from the coast of Flanders to Switzerland. Antwerp fell. Except for one last little nook, containing Ypres, the conquest of Belgium by the invaders was completed. Since the Marne they had pulled a drag-net through the German population to bring up fresh reserves, boys and middle-aged alike. At the same time, realising that munitions would henceforth mean even more than troops—superior as they had been in equipment from the beginning—they began the production of war-material in unparallelled quantity.

Then in the last week of October and through the first half of November, the invaders, resuming their offensive with more than its primal impetus, with convulsed energy, tried to do in the north, what they had failed to on the Marne. They hoped to break through the Allies' seaward wing, to resume an enveloping movement, and at the very least, by capturing Dunkirk and Calais, to bring the Straits of Dover under their long-range guns and jeopardise British communications with France. The Germans had superiority of force as never yet in the west. Their new levies fought with sacrificial enthusiasm contemning death. It was in vain. The Franco-British defence under Foch's chief command proved impenetrable. Round Ypres, the sector of most peril, the British army, when almost hopelessly outnumbered and outpounded, shot to rags, held the trenches with unyielding fortitude in one of the most characteristic passages of their history. Following the battle of Flanders towards the end of November, after four months' war, the last German hope of forcing a speedy conclusion in the west was gone. Amidst mud and slime, in their parallel lines of wired ditches stretching uninterruptedly from the North Sea and the Flemish flats to the foothills of the Alps, these immeasurable armies settled down to trench warfare through the grimmest winter that armies had ever faced.

THE END OF 1914

A little later the eastern situation solidified in the same way. In that far-extending theatre, where the spaces begin to be truly continental and on an American scale by comparison with the close ranges of more western

Europe, there was accordingly a wider ebbing and flowing of armies. Twice in October and December, Hindenburg swung his forces like a battering-ram towards Warsaw — coveted for political and strategical reasons alike — and towards the vital complex of Russian communications around it. But the Grand Duke's entrenched defences held. The Germans made strenuous efforts, wading through the loose ice of the streams in the hope of presenting the Polish capital to the Kaiser as a Christmas-box, but by Christmas Eve the adventure had to be abandoned. Hindenburg left a waste behind him. He had intended his movements to relieve the dire pressure on Austria-Hungary, and partly it did; but though the Grand Duke's grip on the Carpathian passes and the near approaches to Cracow was weakened, it was not removed. On the eastern frontier, while all over the world Christians were mumbling of "peace and goodwill," the lines were stabilised as in France and Flanders — though never so rigidly — and between the burrowing armies in the wired ditches it was deadlock for a thousand miles.

Just then the triumph of the Serbs was a romance. So far, they had escaped "execution" after all. Driven into their mountains and pressed to extremity, they turned to conquer or die. In December they broke the Habsburg army and swept it before them out of their country over the Danube. Heroic old King Peter, whose legendary appeal had fired them, spent his Christmas Day in Belgrade. In the cathedral ten days before he had thrown himself on his knees.

Like 1789, 1914 had been a peak-year of history. The strong contrast, as in Napoleon's time, was between sea and land. Before British sea-power, German colonies and German shipping were disappearing throughout the world. The Kaiser's navy was shut up. It could move a little, but only like a condemned man in a prison-yard. The whole British Empire had rallied for the war. There was no secession of South Africa, no revolt of India, no rising of all Islam for the cause of Hadji Wilhelm. Japan had squared accounts for the Shimonoseki *coup* of 1895, the Kaiser's first signal stroke of *weltpolitik*. Nearly 20 years after, the Japanese flag floated over Kiaochow. But in the heart of Europe, where fate would be decided, the German nation loomed strongest and was to dominate more and more. All belligerents were thinking, working; but the Germans, as we shall see, were thinking and working best. Austria-Hungary was not yet done. It had great fighting reserves. And on the side of the Central Empires, Turkey, since October, had joined the war. It had been bound to Berlin by a secret alliance since July. Above all, the inner organisation of the Tsardom, in spite of its imposing façade, was rotten to the core owing to the incurable corruption and incompetence of the autocratic system.

1915 — HOPE AND REALITY

Thus, though 1915 opened for the Allies with high hopes, it was to be their year of general disaster on land and partly of disaster irretrievable. Various influences made for optimism. Command of the sea gave the Western Powers unlimited access to the world's supplies for martial and civil needs. The French General Staff had returned to gallant delusions. For munition-making and all other purposes, France was keyed to the pitch of efficiency. More slowly but surely, industrial Britain was turning itself into a mightier arsenal, and while multiplying its naval weapons of all kinds, was steadily raising its military strength in Flanders, and training new armies by the million. Russia on the other side was still expected to prove a steam-roller. It seemed impossible to sanguine temperaments that Germany could long

stand against all this. Above all, the French General Staff had at this time a mathematical theory of wastage. Putting the enemy's relative of loss much higher than it was, they thought Germany would come in sight of her last reserves within a measurable period; and that in any case the Allies, by accumulating superior numbers and munitions, would be able soon to break the German lines.

A luring mirage, it was to mean much death to little purpose, but we must note how it faded before we look towards darker events in the east. The Allies in March had been over-elated by the prefatory action at Neuve Chapelle where their artillery smashed well into the enemy's trenches. It was a small affair and misleading. When the continuous fighting season opened, it was the Germans who took the real initiative even in the west. On April 17, they opened the second battle of Ypres by attacking with poison gas as well as stronger artillery. With poison gas, flame-throwers and the rest — the "Lusitania" was sunk while this new grapple was swaying — the Germans had begun to stamp this war of nations and empires by an infernal perversion of human science and ingenuity. Above the trenches and their hinterlands, the air squadrons were now circling and firing in ever-growing swarms, though for number, nothing yet to what they were to become. The second battle of Ypres lasted over five weeks, but though the Allies gave ground slightly they lost in that respect nothing appreciable. They adopted gas masks and poison gas manufacture with a rapidity which startled the Germans in their turn. Before this, the long-planned Allies' offensive, on which the French and British headquarters had staked their optimism, had been launched on a wide scale, chiefly in Artois. By the middle of June, after bloody fighting it had failed. It made no serious impression on the depth and strength and intricacy of German fortification on the surface and underground. But the Allies' Higher Command were still hypnotised by these premature dreams of a great break-through. They renewed their attempt in the still-wider conflict of September waged in Champagne as well as in Artois and at Loos in Flanders. French and British troops fought magnificently, but the Germans were of equal temper and kept their advantage in every kind of thoroughness. The relative loss to the Allies was excessive, but there was no approach to an effective break-through and nothing to suggest its possibility at this stage. The western Allies, in fact, throughout 1915, were doing what the enemy desired. Falkenhayn's was a bold judgment: "Hold the solid wall in the west and let the French and British dash themselves against it: strike down Russia in the east." It was done.

RUSSIA'S JEOPARDY

The result was the catastrophe of the Tsardom. Russia's numbers, her 15,000,000 men of fighting age and fitness, were never brought into play, because Russia's position with regard to munitions was hopeless. Initial deficiency when war broke out had been aggravated by unbelievable carelessness and procrastination. As early as October, 1914, the good old soldier who was head of the artillery went weeping to the War Minister and said that Russia would have to make peace owing to the shortage of ammunition. The lack of rifles was so bad by December that while units at the front were now only half-strength, drafts in training had only one rifle to three men. For the artillery the scarcity of shot now reached famine. For some time the Russian factories had been producing less in a month than the batteries used in one day. From now all the Tsar's guns together dared only to fire a few thousand shells, for in the whole country there were not enough reserves

of ammunition for an average week's war consumption. And hapless Russia, in spite of the heaped sacrifice of life she had so far given, was largely cut off from those resources of the world open to the western Allies who, at the same time, were incomparably better equipped within themselves. Russia's natural wartime outlets were in the grip of her enemies. Germany closed the Baltic, Turkey the Black Sea. Her Arctic coast was ice-locked for half the year, and in the other half connections with it were miserable. Vladivostock was almost 8,000 miles away from the Polish and Galician scenes of war. This most perilous situation seriously reduced the effects of sea-power itself and might enable the enemy to overcome it.

In these circumstances, a few British minds, led by Mr. Churchill, then First Lord of the Admiralty, conceived the greatest strategical conception of the war — the plan of forcing the Dardanelles, seizing Constantinople and entering the Black Sea. Certainly the thing was achievable, given sufficient determination. Victory here would have delivered Russia from her isolation, broken Turkey, roused on the side of the Allies all the Balkans, including Rumania. Victory here would have subjected the Central Empires to crushing pressure all round, shortened the war by two years, while averting the political and economic chaos fated to come as a result of peace. The project was adopted by the British Government with French consent. It was hopelessly marred in the execution. There was none of the quality required — concentrated energy of resolution and control; but instead hesitation, vacillation, and dribbling half-hearted measures. The British navy was too quick, and forewarned the Turks. The British army was too slow, mainly owing first to Kitchener's over-work and indecision in London; then to acute dissension on the subject within the British Government; and between it and the French General Staff, possessed, as we have seen, by the mirage of the early break-through in the west, and claiming every man and gun for the purpose. The result was an adventure as glorious and ill-starred as anything in the tales of daring and tragedy. The rocky edges of the Gallipoli peninsula were seized, but its commanding heights — the keys not only of the Straits and of Constantinople but of the Balkans and Russia — were never stormed. After a few months of partial successes ending in final repulses, the enterprise began to be paralysed for lack of support. Liman von Sanders has admitted that it came within an ace of full success. By August, in this year of the Allies' disasters, it had failed as completely as the Franco-British offensives in the west and with more ruinous consequences, though at less cost.

RUSSIA'S FIRST DÉBÂCLE

Accordingly Russia's ultimate fate in the war was sealed. She was already in utmost jeopardy. Through the first months of 1915 her leaders had their own mirage in spite of the shortage of munitions. She had broken and flung back the Turkish advance through Armenia upon her provinces south of the Caucasus. She had captured the great fortress of Przemysl in Galicia. By Easter the Grand Duke was hoping to push through the Carpathian passes — the gates of Vienna and Budapest — and to advance by the short Cracow route into Germany. Then came a reversal, not merely complete, but in its way tremendous and spectacular past example. After Easter the Central Empires, under German direction and with consummate mastery, accumulated a powerful army with a crushing weight of guns towards a well-chosen point south-east of Cracow. This point was on the little river Dunajec. Mackensen was the German commander. At the beginning of May, a bombardment like the crash of doom fell upon the Russians and shattered them. Their

front was breached. Mackensen's army poured through. The breach widened. In a few days the whole Russian line upon a front about 300 miles wide was reeling back in desperate retreat with terrible losses. In a few weeks the gains of nine months were lost for ever. Swept backward and still backward, far away from Cracow and the Carpathian passes, the Tsar's armies by the anniversary of their first triumphs in Galicia had lost not only Lemberg and all Galicia, but Warsaw, even Brest-Litovsk far behind it, and nearly all Russian Poland. They soon lost the rest. Russian leaders and men did all in human power. In retreat they maintained a front. At close quarters against German and Habsburg rifles and bayonets, many of the Russian soldiers fought with sticks. When the Grand Duke towards the end of September began to stabilise his line once more, its centre had to be drawn through the Pripet marshes 200 miles behind Warsaw. With illimitable millions of men still nominally available, Russia had only about 650,000 rifles left. Removing the Grand Duke Nicholas, the Tsar himself took nominal command of his armies. The change meant a further weakening, political and military. All authority was weakened. In Petrograd the Empress, devoted and infatuated, ruled with the aid of Rasputin. The prestige of autocracy had perished; and from the autumn of 1915 onwards the discontent of the Russian people from top to bottom began to ripen for the revolution which came in eighteen months.

ITALY AND BULGARIA ENTER — SERBIA'S DOOM

One broad gleam had cheered the Allies in May. Simultaneously with the beginning of the Russian débâcle, Italy had entered the war. It was a signal event. On the one hand, however, it roused a fiercer temper in the antagonised races nearest her frontier. On the other hand, the Italian offensives valiantly urged were soon to be checked like those of her Allies in France and Flanders. Italy on the Carso had to learn like them the meaning of defences in depth, and that to carry outer lines of wire and trenches was of little more immediate effect than to scratch a wall with a penknife.

For the entry of Italy the Central Empires soon had a redoubtable off-set. When the Tsar's armies had been flung back into the depths, and when the British failure in Gallipoli was certain, Bulgaria in her turn entered the war, but against the Allies. She could not be blamed. It was the Nemesis of the Treaty of Bucharest by which she had been mercilessly mutilated two years before. The aid of the Bulgarian army could have changed the fate of the Gallipoli enterprise and ensured the capture of Constantinople and the salvation of Russia by the reopening of the Black Sea. Her hostility was the knell of Serbia. But the Serbs were now as fanatically blind in politics as dauntless in the field, and nothing could induce them to yield to their ominous neighbour even that part of Macedonia recognised by the treaty which founded the Balkan League as unconditionally Bulgarian. An execrable muddle followed. The western Allies were again purblind and fumbling in dealing with an eastern emergency. Before they could send sufficient assistance the Serbs were attacked and annihilated between Mackensen's army and the Bulgarian army thirsting for vengeance. Their whole land — except a corner in the south like the free nook of Belgium — was lost for the time. Their surviving columns, with masses of fugitives, escaped over snowclad mountains after frightful sufferings, leaving a long trail of dead. No tragedy of nations ever had been worse than this.

Too late to save Serbia, the Allies, basing themselves at Salonika in Hellenic territory, despite King Constantine's ill-boding resentment, built up a

limited but strong front against such an advance of the Central League as would make the Aegean Sea a nest of submarines. The British in December decided to evacuate Gallipoli. This hazardous movement was carried out with wonderful dexterity. It was, however, a dexterity in abandonment. In Mesopotamia there was no better fortune. The British, advancing with temerity on Bagdad, were flung back and besieged in Kut. Henceforth Turkey was secure for some extended period. Russia remained isolated from her Allies; her full potential strength could never be put forth. Germany, Austria-Hungary, Bulgaria, Turkey — with the conquered territories in Belgium, France, Serbia and Russia — held from Antwerp to Bagdad the whole line of Pan-German dreams. Thus when 1915 closed, the Allies seemed far further from victory than when it opened. Henceforward for all belligerents, it was now to be the war of exhaustion, which means that at the end of all, victors, whoever they be, are as exhausted as the vanquished.

1916 — VERDUN

As yet, however, it was more like the situation of the American North in the midst of the Civil War than like any other example. From that and from Lincoln's speeches, Britain took a large part of its inspiration. The western Allies were not at the end but at the beginning of an ordeal which for a year, a further year, and another, was to test them to the core of their hearts. They were hardened and sharpened by adversity. If they changed, it was from bronze to steel. Indomitable, far-sighted spirits held the theory that if the Allies generally were still deceived about the length and cost of the appalling process required for victory, Germany was as deceived about the final issue. They were right; but greater was the absolute will of the prevailing type of men and women to fight and work to the end, whatever the issue. Great Britain had raised millions of men by voluntary enlistment, but in January she adopted conscription, exempting Ireland.

Otherwise 1916 opened as an enigma. Less than ever could most men attempt to guess what twelve months might bring forth. Those who attempted were remote from guessing right. The Allies were counting upon the power of the combined offensive by France, Britain, Italy and Russia. Britain martial, but not military, abhorring the conscript system in peace, had created in 18 months armies worthy of a Continental Great Power for size, though still not raised to the veteran competence they were to reach before the end. Further, the British production of munitions had enormously increased. It might well be reckoned that in the course of 1916, a combined offensive by all the Allies would by sheer weight break down the Central Empires. Even in Russia, so soon after the débâcle of the previous year, there was in externals a wonderful recovery. Everything seemed improved except the decaying despotism, incapable and unteachable. Through the winter the Allies managed to pour in more than a million rifles of miscellaneous types, and in addition, there came 120,000 Winchesters from America, while home output had risen respectably. Reserves of shell were amassed in the same way. The spirit of the soldiers, though dully questioning now the reason of the butchery and doubting its result, could still be kindled by signal leadership. As early as February the promise of victory gleamed again when amongst the Armenian mountains Yudenich smote the Turks right and left, and crowned by the capture of Erzerum a shining feat of arms.

These were the calculations of the Allies on the coming event. They were forestalled. Suddenly, the siege of Verdun opened a struggle, which for heroic grandeur and wringing pathos surpassed all that had gone before in the war

of wars and all that was to come. The new German plan in its inception was a rational and strong project. Falkenhayn thought that the method of massed batteries and surprise which had broken Russia on the Dunajec might be employed to bring about equivalent if not similar results in France.

Consider his ends and his means. His ends were first to bleed France at a vulnerable point, to break her spirit, if not her lines, and secondly, to force the Franco-British armies as a whole into premature counter-attack, which would meet ruinous repulse. His means were an unparallelled concentration of artillery secretly accumulated and supported by chosen infantry specially trained on a new tactical model for the economical occupation of the ground conquered by the guns. Verdun was the centre of a salient markedly exposed, and its entrenched area was the conspicuous bastion of that long eastward wall of fortifications hitherto impregnable. At very least the effect of a blow here might be like shattering a man's elbow. The woods around favoured German concealment, but French armies amidst the lighter cover saw at least one spot where guns were as thick as apples in a tub.

On Monday morning, February 21, the German artillery belched devastation never imagined till then, and is computed to have rained on the attacked sector over a million shells in the first twelve hours. It seemed to change the face of the earth. The country side was left a bare wilderness of churned soil, with craters like the pitted surface of the moon. Woods disappeared leaving only stumps and splinters with a few blackened sticks standing up here and there. Wire entanglements were abolished, trenches crushed out and communications cut everywhere. In the evening the German infantry walked forward. . . .

The battle ensuing lasted for nearly seven months. Its intense detail and murderous fluctuations defy epitome. In this place we can only in a few sentences suggest the general character of the struggle and its results. According to plan, the assailants were to take in four days the ancient city overlooking the Meuse. At first it seemed they must succeed. On the fourth day, Thursday, the question of abandoning Verdun had to be faced by the French. General Joffre — and it is his brightest title to fame — determined that it must be held at all costs. Friday was black. Within five miles of the city Fort Douaumont fell, and the German Emperor, watching the action, proclaimed in effect to his people that the key of the Verdun defences had been captured. But Castelnau had already arrived to breathe invincible calmness, as when, during the Marne battle, he held unshakably in an hour more perilous for the Allied cause the Grand Couronné of Nancy. Next day, Saturday, Pétain came to take over the command and with the appearance of that iron soldier, a man of saturnine insight, competent at all points, full of devices, Falkenhayn, after long months of preparation, had in a moment met more than his match. "Now they would not pass."

Grave as the situation remained for three months afterwards, nearer and nearer though the enemy pressed, first on one side of the Meuse, then on the other, the German failure in that first week to achieve what they hoped was fatal to their purpose. Pétain's celebrated plan was to sell ground, but at a price, and never too much at one time, so as to make the Germans pay for every disputed inch far more than it was worth. Though for long the French losses were the higher, those of the assailants were so terrible that Falkenhayn's original calculation was shattered. He had hoped that his method would mean limited casualties on his own side, while forcing the French to stake their last man. Towards the end of April, Pétain and his staff thought that the enemy could not go on with the game. Pétain, promoted to command the French armies of the centre, was succeeded at Verdun by Nivelle. But German headquarters held that with their whole military pres-

tige at stake they were committed too deeply for retreat. The struggle was resumed, and though its former fury had seemed impossible to surpass, it only now rose to its pitch. On June 7, when the fall of Fort Vaux uncovered the approach to Fort Souville, the last rampart, French heroism seemed almost powerless before the ponderous mechanism of the assault. On June 11, even Pétain dreaded the worst. Again the mass of the German artillery was increased, and on June 20, opened a bombardment which was the climax. On June 23, the German infantry began its crowning effort to force the last rampart at Souville. The emergency for the French was now so extreme that Pétain and Nivelle prepared down to the last detail for the evacuation of Verdun and the right bank of the Meuse. By the resolution of the German onsets, the last ramparts were nearly reached, but they were not taken, and now they never were to fall. With July the battle of the Somme broke out and drew off German pressure. There were to be other occasional and surging assaults, but for all historic purposes we may say in the language of older wars that the great siege was raised. Far as the eye could see round Verdun the hills and slopes, once green and pleasant, were so torn and flayed by shellfire that they stood as bare of vegetation as ridges of sand.

Two types of warlike genius often pitted against each other through a thousand years had been opposed, not only as army to army but as nation to nation. Never, as French historians have written, had an attack been prepared with more organising power, launched with more ability, or sustained with a more epic vigour. Never, in spite of almost overwhelming surprise at the outset, had an attack been met with swifter resource in counter-organisation, with more sagacity and ingenuity together, more indomitable fortitude in sacrifice. From this conflict, appalling for both sides, Germany emerged weakened in man-power and defeated. France emerged more sadly weakened in her lesser reserves of men, but unconquered and henceforth unconquerable. What she had lost in life she had gained in inspiration. A city had become an idealised personality like a woman. Verdun had become a symbol for ever, like Jeanne d'Arc.

1916 — ITALY INVADED — RUSSIA'S GREAT RALLY AND LAST VICTORIES

Meanwhile on all sides, and on land and sea alike, other dramatic developments in this year of extraordinary contrasts had appeared one after another. The Habsburg armies in their turn took the initiative in order to anticipate and dislocate the Allies' plans for a combined offensive. By a grand effort to surprise and restore the Italian front, Conrad von Hötzendorff sought to emulate Falkenhayn's blow at Verdun. Italians and Austrians, deadlocked at the head of the Adriatic, were also waging a fantastic struggle amongst the peaks and glaciers of the northern Alps. The plan of the Austro-Hungarian offensive was trenchant. If, by a sudden *coup*, they could thrust through the mountains towards Vicenza and Castelfranco, then descend a short distance into the Venetian plains, they would cut the railways behind Cadorna's main army. On May 14 with 2,000 guns the Habsburg forces opened a blasting fire, and, thrusting onward for some days, they were at first as sure of success as were the Germans in the opening week of the Verdun struggle. The Italians rallied rapidly like the French. Fighting desperately and at bloody sacrifice, in three weeks they gained the upper hand. Before recoiling at the beginning of June the Austrians had reached to within 18 miles of Vicenza and the main railway across the north of Italy.

Instantly on this and arising from it, followed one of the sweeping transformations peculiar to the broader eastern theatre. Italy had pressed Russia

to help by attacking the Habsburg Empire. Russia, though still short in artillery and especially lacking in heavy guns, was otherwise so well re-equipped that her armies were able to strike again. They moved with an effect equally astonishing to friend and foe. The exultation of the Allies was matched by the consternation of the Central Empires. Brussilov, after a short artillery preparation, the more effectually deceiving his opponents because it seemed to them only the prelude of minor action, loosed his armies like a hurricane on the fourth of June. They swept over the Austrians, taking fortresses and rivers in their stride. In three weeks, after a whirlwind advance rarely matched in the annals of war, they had taken 200,000 prisoners and masses of war material, while recovering the Bukowina, and a large part of Galicia. They menaced once more the approaches to Lemberg. Above all, their advance into the adjacent Bukowina went far towards deciding Rumania to enter the war on the Allies' side. More northern successes towards Poland went as far forward though in less significant country. Through July into August Brussilov's armies improved their progress though at a slackening rate. After ten fabulous weeks they had taken 300,000 prisoners and, adding dead and wounded, they had probably put nearly a million Habsburg and Hohenzollern troops out of action. Austria-Hungary reeled under the blow. It was a triumph, however, such as Russia was not again to know in the war. In political effect it only encouraged autocracy to plunge towards its internal destruction, while German leadership under Hindenburg now took firm military command of both the Central Empires and soon redressed the balance.

SOMME BATTLES — "THE TITANIC GRAPPLE"

Meanwhile in the west, a more massive and broader conflict had immediately followed Verdun, and northern France resounded with the battle of the Somme. Planned months earlier, as the main shock of the combined offensive, it had been fixed to begin about July 1. When the fate of Verdun trembled in the scales, Pétain urged earlier action; Haig in order to increase his strength, wished delay. Joffre was resolved above all not to be hurried into the premature action which Falkenhayn had played to provoke. Verdun had reduced the expected power of French coöperation. Instead of the 39 divisions originally destined for Foch, he had only 16. None the less, on the date of July 1, pre-arranged so long before, this colossal struggle began. The British forces, raised and trained in less than two years, were now a vast army with an equal equipment. At last the Allies exceeded their enemies in men, guns, aircraft, and in everything with two exceptions. In fighting ability the Germans were still at least equal; in the advantage of position they were still dominant. Joffre hoped indeed that "a hard and long battle" would end by exhausting the enemies' reserves for western purposes, opening a wide breach in his front and deciding the war. Not even yet did the French and British Higher Command come near to realising the full power of the defensive under western conditions. No charge lies against them on this occasion. The time had come when with the whole of their strength they had to assault at any cost. The German defences in successive lines of position with interlacing connections, with deep labyrinths of underground works, with a mighty array of artillery, and nests of ambushed machine-guns, was, beyond question, a system of fortification more elaborate and formidable than men in battle had ever yet ventured to assail. They were assailed with such effect — though far short of original expectation — that German confidence in the issue of the war was never the same again. The quality of the French was the same as it had been: there can be no higher praise. The new British

armies — men of the mother-islands, Canadians, Australians, New Zealanders and South Africans alike — now tested on a scale such as the English-speaking races had not yet known, bore themselves with that "deliberate valour firm and unmoved by dread of death" which Milton's lines commend. They had 50,000 casualties on the first day alone, but went on as usual for more than four months.

It is impossible in any summary to suggest the character and movement of the battle of the Somme which was indeed a series of huge battles grinding slowly forward. In magnitude it far exceeded Verdun and all former examples of human conflict. As at Verdun, though over a wider area, the earth was changed to an abomination of desolation. The results must not be measured by gain of ground. That was of no main consequence. In the middle of September one startling fantastic detail showed how the Allies were now rising to technical superiority. For the first time the British "tanks" appeared like pre-historic saurians with guns in their ribs and shambling through all obstacles while roaring hard. They scared the hardened enemy and on their first day helped to bite a large piece out of the German positions, but were not fully used until a year later. Their *début* was premature.

The results to the Allies of this "Titanic grapple," to quote Ludendorff's impression, let us repeat, must not be measured by gain of ground. That was very limited and disappointing by comparison with the human sacrifice and the mechanical effort. By November 16, when the struggle died down, stifled by the mud, the Allies after over four months' effort at frightful cost had advanced only half a dozen miles along the Albert-Bapaume-Cambrai road which Joffre in his imperturbable optimism had marked (June 20) as "the axis of our progress." Even Bapaume — and it was to be the prize of the first days — never was reached, and as for Cambrai it lay nearly 20 miles beyond. But what then? Ludendorff himself makes sombre answer in his "Memoirs." He gives a curious picture of distraction, alarm and sense of permanent injury. For the first time Germany was desperately strained. Her troops on the Somme had done all men could do, but they were tried to the limit of endurance. "The troops were getting exhausted." Again, he writes of "Somme fighting" that "even our troops would not be able to withstand such attacks indefinitely. . . . If the war lasted our defeat seemed inevitable." Once more he writes of this battle: "Not only did our *morale* suffer but in addition there was a fearful wastage in killed and wounded." Germany's reserves were so depleted that the Higher Command was at its wit's end to meet the clamour for help on every side. The renowned advantage of the interior lines was largely gone at last; divisions could no longer be transferred from front to front as readily as before. Now "the longer the war lasted, the more acutely we felt the overwhelming superiority of the enemy in numbers and raw material . . . the flower of our fighting strength lay under the sod." The strategical conception and tactical management of the Allied Higher Commands in northern France during the summer and autumn of 1916 will always be a theme of dispute, but they shewed a strength of character like that of General Grant. After the failure in the previous year to seize the only means of shortening the struggle by taking Constantinople and linking up fully with Russia, there was no alternative for the Allies but the war of exhaustion. In that war the battle of the Somme, morally and materially alike, was the turning point against Germany.

GERMAN CRISIS — REORGANISATION AND TRIUMPH AGAIN

With more astonishing energy or more sacrificial madness, that people and its leaders aroused themselves for a grimmer struggle rather than accept

defeat. The World War was only half through. When Hindenburg and Ludendorff, in August, 1916, were called from the eastern front to head the whole conflict, the military and economic situation was so desperate that it might well have seemed impossible to sustain the war for very long. Yet, it was sustained for over two years more.

At the end of August Rumania joined the Allies. This had to be added to the Somme battles on the west, to Brussilov's victories in the east, to Allied pressure in Macedonia, to the Austro-Hungarian failure on the Trentino front, and collapse in Galicia; and the stifling rigour of the sea-blockade. Hindenburg and Ludendorff demanded and secured a complete reorganisation of the Central Empires. In Germany itself every subject aged from 15 to 60 was conscripted for service, military or civil. Forced labour was introduced into the occupied territories. The Habsburg Monarchy became a vassal State. Unlimited submarine warfare was projected. Fighting tactics on land underwent drastic revision. In a dozen weeks these new leaders altered the whole aspect of the military situation, and once more dashed the immediate expectations of the Allies to the ground.

Rumania attacked with instant rashness. Ignoring Bulgaria on her flank and forgetting 1913, her armies poured into Transylvania hoping to deliver at once the three millions and a half of their kin under Magyar ascendency. After they had rushed through the southern Carpathian passes their situation was strategical suicide. Mackensen struck from Bulgaria; Falkenhayn at the head of an army, assembled with notable resource, struck from Hungary. He first cleared Transylvania of the sanguine invaders and flung them back through the mountains into a further situation of deadly peril. Mackensen soon crossed the Danube. He entered Bucharest on December 6. Falkenhayn, pressing towards the coveted oil-fields, found the wells fired and all the surface-works wrecked by a British Member of Parliament, Colonel Norton Griffiths, and the American engineers. The Rumanians fought gallantly in retreat; but the catastrophe could not be stayed, and by the end of the year the greater part of their country was as completely subjugated as Serbia. Salvation had been expected in vain from Brussilov's armies, but they were firmly held by the Hindenburg-Ludendorff system.

There was to be no more help from Russia for any Ally: the Tsardom was tottering to its fall. Light for the Allies came from another quarter. The battle of the Somme had disengaged Verdun. There in late October, Nivelle and Mangin took the offensive on a new tactical plan, regulated with scientific minuteness, surpassing in skill the best that the Germans had yet contrived. By the morning of November 2, Douaumont and Vaux were most gloriously recaptured. A second action on the new system, further perfected, was opened in the middle of December and carried to still more clean-cut success. These sequels of the main battle of Verdun were the crowning of that victory.

THE SEA-BLOCKADE — NEW LEADERS AND PLANS

It must be remembered throughout this narrative that sea-power is the background, and not only so. Its influence pervades and saturates all the land operations. It re-arms Russia, furnishes Italy, builds up in France the supremacy of the Allies in numbers and munitions, eats mortally into the economic vitals of the Central Empires. Universal as the atmosphere in this connection, it lends itself as little to continuous remark. Despite mines and submarines, the British navy had maintained for naval and mercantile purposes alike a more absolute command of the seas than had even been seen,

against risks more mysterious and incalculable than those known to the military commands. There was one great action. For the first and last time the British and German fleets clashed in the battle of Jutland. Von Scheer had 16 Dreadnoughts and six older ships; Jellicoe, the far superior force of 28 Dreadnoughts and a yet greater advantage in gun-power. It must always be admitted by an impartial writer that the Germans fought brilliantly and in the circumstances did as much as could be expected of men. In the end they escaped. Though the Kaiser's fleet was more heavily damaged than appeared at the time, the British losses in ships and men were much the heavier. This was no Trafalgar, and Jellicoe was not a Nelson. He had shewn excessive caution. The disappointment of the British nation and of the navy itself was deep and just. Their victory added nothing to the glory of British sea-tradition, but in its unsatisfactory way it was a victory and decisive. In Germany, as Captain Persius wrote, "it was clear to every one of intelligence that this fight would be and must be the only one." The Kaiser's fleet was now like a force besieged and doomed to surrender. The British sea-blockade, now accepted as unbreakable by any means hitherto employed or then available, doomed the German nation.

On all sides there were conspicuous changes in the guiding personalities of the war. In Germany even Tirpitz had resigned. The rise of Hindenburg and Ludendorff we have noted. In Austria-Hungary the Emperor Francis Joseph, aged 86 years, had closed in death his ill-omened reign of 68 years, and as he had been pursued from the beginning by tragic fate, he left ruin behind him. Lord Kitchener perished at sea with his companions when about to visit Russia. He had rendered momentous service in the most difficult days, and though later he had been unequal to the situation, he left the ineffaceable impression of a great character. After the fall of Rumania, the wrath of all the Allied nations in the west rose in a storm against the management of their affairs. They demanded changes in their Governments. France did strange things. Joffre as generalissimo was succeeded by Nivelle, and incredible to say, Foch was dismissed from employment. In Russian politics worse had happened. Finally, in Britain the Asquith Government fell; and as Prime Minister, the animating and audacious genius of Lloyd George — full of defects but saving in the war — came into the centre of the scene. These personal changes foreshadowed wider public movements. The dynasties and the peoples alike were growing desperate. Far and wide in this tremendous time, portentous developments were at hand such as history even yet had not seen. Men thought they had crowded into the previous two and a half years the drama of centuries, and that they had measured the utmost height and depth of human vicissitude and emotion. At the end of 1916 they were by comparison with what was to come, only at the beginning of experience. We have reached here, the second period, a new and yet more extraordinary phase in the World War and in all world affairs.

1917 — THE SUBMARINES — AMERICA ENTERS THE WORLD WAR

With 1917 the universal submarine war breaks out; America enters; Tsarist Russia disappears.

In spite of Germany's huge endeavours the Central Empires were shaken to their foundations. Austria-Hungary was in fear and disarray. The subject races were claiming their own. Coming to the throne after Francis Joseph, the young Emperor Charles knew that the Habsburg Monarchy was a loosening fabric and at this rate must fall for ever. All neutrals longed for the end. The Pope sighed for it as a shepherd beholding the destruction

of the fold, but Benedict XV was not one of the stronger pontiffs. Only the President of the United States seemed a possible mediator. The method of the Central Empires was to compel him to a different part. In December they addressed to Mr. Wilson a note asserting their "indestructible strength" and protesting their reasonable intentions. There was no substance in these *pourparlers*. Vienna at heart wished Berlin to cede Alsace-Lorraine to France and was ready to yield all Poland in compensation. Germany was willing to take Poland but not to return Alsace-Lorraine, not even to restore the full independence of Belgium. The western Allies, for their part, despite the spread of Teutonic conquest on the surface of the map, had never felt more assured of ultimate victory and never had been more resolved to achieve it. No vestige of a basis for compromise yet existed. When President Wilson suggested thereupon that the professed principles and objects of both belligerents seemed much the same, the Allied peoples were genuinely astonished, as if light and darkness had been officially declared to be indistinguishable. The Central Empires brushed aside the guarded hint of America's readiness to adjudicate, and pronounced instead for negotiations between the belligerents. The Allied Governments in their celebrated statements of January, 1917, demanded without compromise from the enemy Powers evacuations, restorations, liberations, compensations, with the final expulsion of the Turks from Europe; and guarantees for future security by a new international system equipped with such means of preventing or limiting hostilities as would thenceforth "give pause to the hardiest aggressor." Germany replied by the last desperate resort — the unrestricted submarine war. Irrevocably now, instead of peace by compromise, it was to be a broader fight and utterly a fight to the death.

Tirpitz had urged long before unlimited destruction by the U-boats of all merchant shipping, Allied and neutral, as the only means of breaking the sea-blockade and bringing Britain to her downfall. He had thought the best time for it was a year before, and that through weak fears of America the best opportunity had been thrown away. Since the battle of Jutland the question had been debated in the Kaiser's councils. The naval staff felt certain that the last resort would mean victory in six months. Ludendorff thought it "safe to reckon that it would at least have a decisive effect within twelve months, — that is to say, before America could throw new armies into the scale." The military command, now supreme in the State, pressed for the unshrinking decision. It was taken on January 9, 1917, at the château of Pless, in a council presided over by the German Emperor in person. With a heavy heart the Chancellor, Bethmann-Hollweg, gave way.

From February 1 the U-boats began to sink at sight. Allied ships disappeared at the rate of over a hundred a fortnight. It was soon the blackest crisis Britain ever knew, but that nation grappled with it, never doubting, nor did her crews fail. Seamen torpedoed again and again, were ready to sign on as usual while life remained. At sea, neutral rights were annihilated. The position of the United States in this matter had long been painful and was now intolerable. The "Lusitania" was destroyed without warning, but Washington had hoped that this would prove an isolated iniquity. Further loss of American lives mounted up until the "Sussex" was struck. America's continued patience was secured by German promises of amendment, and by the almost invincible refusal of the majority of the American people, especially in the Middle West, to be drawn into the deadly vortex of the European struggle. All the promises were now broken, and the German Command in relation to the United States had gone mad with a method. Unavoidably the British blockade had involved friction and difficulty be-

tween Washington and London. America, for mingled and contradictory reasons, had borne more provocation from Germany than she would have brooked from any other Power in the world. Now the limits of restraint were reached and passed. Diplomatic relations between Washington and Berlin had been severed at once by the new terror at sea. That first step soon proved to have implied the last. On April 2 the President advised Congress to enter the war; and master of statement as always — whatever else may be the verdict of time upon that historic person — he did this in a thrilling yet measured strain of lofty appeal. "Neutrality is no longer feasible" — "The world must be made safe for democracy." And he concluded:

"We shall fight for the things we have always carried nearest our hearts — for democracy, for the right of those who submit to authority to have a voice in their own Governments, for the rights and liberties of small nations, for the universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world at last free. . . . The day has come when America is privileged to spend her blood and her might for the principles that gave her birth and happiness and the peace which she has treasured. God helping her she can do no other."

Congress approved by overwhelming votes, and the United States entered the World War on April 6, 1917, a date for ever notable in the fortunes of mankind.

To understand the impression then made on nine-tenths of civilisation, posterity will have to remember that American intervention followed immediately on the Russian Revolution. The conjunction of two such events was beyond parallel through the ages. The emotions of men of good-will in many countries were like a tide too deep for foam. There had been nothing like this promise of new life and light since the fall of the Bastille, and the promise seemed surer than then. Political idealism stood on a pinnacle of hope. It was much noticed that men and women amongst all the English-speaking races were unusually inarticulate — overcome by their sense of the inadequacy of any words.

THE FIRST RUSSIAN REVOLUTION: ITS ORIGIN AND SPIRIT

We must now see how the Tsardom fell and why the Revolution soon changed hope to dismay and dragged all Russia into the abyss. Some predisposing influences had been spreading for half a century and more. The efficient causes began after the Russo-Japanese War — an event as we have seen of universal significance for world-policy. It was the real origin of the Nemesis which overtook the obsolete but mischievous dynastic systems of Romanovs, Hohenzollerns and Habsburgs alike. Influenced by spurious mysticism, Nicholas II, like his consort, was at heart reactionary by pious belief. When the agitation following the Manchurian disasters had forced him to summon the first Duma, he soon seized the excuse furnished by its inevitable crudities to restrict the liberties he had granted. The Tsar missed the golden opportunity for gradual transition to constitutional government. The Duma, after its electoral basis was narrowed, could criticise but it had no control. When the World War broke out, nothing like government responsible to an electorate had been introduced; the executive was an Asiatic despotism, and was even behind the tendencies of Asia. Yet the autocrat system was irredeemably incompetent except for repression. The intellectuals were more and more bitterly antagonised. This would not have been fatal without the gathering discontent of the peasants, long ignored with dull fatuity, and then exasperated by the remedies attempted.

When the serfs were emancipated in 1861, the proprietors retained the best land, the peasants receiving insufficient holdings, and these they had to purchase by annual payments stretching into the twentieth century. Burdened by redemption charges and increasing taxes, they fell into hopeless arrears; became more impoverished as the population grew; their only means of cultivation were wretchedly deficient; and by comparison with western conditions their low standard of life was appalling.

Stolypin's legislation of 1906–1911 tried to substitute individual ownership and separate farms for the old communal tenure with its medley of field-strips. The attempt largely broke up the system which, however backward, was the historic basis of social life for the vast peasant-majority of the Russian people. For all its good intentions, the new agrarian policy did not offer such assistance as would enable the average village household to take advantage of it. When the World War broke out the temper of the mass of the peasants was mutinous and profoundly disturbed. The foundations of their traditional ideas were broken up, and what they wanted above all things was to seize the land of the landlords and this time without paying for it: they regarded it as their own. The agrarian measures of the Tsardom prepared the elemental upheaval of 1917.

Some attention must be given to these facts, for they have been of immeasurable influence in the last seven years of war and peace, and their consequences are still of incalculable moment for the whole world's future.

If the political discontent of the intellectual few and the agrarian unrest of the illiterate hundred millions ever came together, there would be an explosive mixture of volcanic force.

At the opening of the World War, national enthusiasm seemed magical. Dissensions disappeared. Classes and sects were leagued together as in a holy cause. Disaster within twelve months began to expose the results of former lethargy and corruption — the bottomless ineptitude of Tsarist administration. When men in retreat month after month had to fight with sticks unless they could snatch up a rifle dropped by a dead comrade, the dullest peasant wondered why. The débâcle of 1915 began the death of the Tsardom. Brussilov's marvellous victories in the next summer might have been saving. They were fatal. The Court and its creatures were the more infatuated, and the demand for Ministers representing the patriotic vigour of the nation was refused. A reactionary parasite like Stürmer became Premier. Next, a neurotic sycophant like Protopopov became a Minister and favourite. The morbid, imperious Tsaritsa ruled, but could only ruin. The disreputable monk, Rasputin, was the witch-doctor of this *régime* of hypnotism and incantations and he was the power behind all. By now, Russia's casualties were 4,000,000. There was in the air a sense of some coming catastrophe that no man might stay. On the night of December 29, 1916, Rasputin was killed, and those who despatched him were not revolutionaries but a Grand Duke, a Prince, and Purichkevich, formerly a strong-fisted devotee of reaction. The news was received like a deliverance, but up to the eleventh hour no advice and entreaties could move the autocracy to announce reforms.

The factories in Petrograd now seethed with sedition; long queues stood in the snow for hours waiting for bread and execrating the Government. The scarcity of bread was more ominous for the Tsardom than had been the shortage of rifles. On March 8, 1917, which was a Thursday, the food-riots broke out. Protopopov fumbled. On Monday the troops, tying red flags to their bayonets, began to fraternise with the people and the riot had become an insurrection. The dykes were broken and revolution was a rising flood. Three days later, on March 15, Nicholas II abdicated in the

twenty-third year of his reign. He wished his brother to succeed, but the Romanovs as a dynasty had already perished. But to whom or to what was authority to be transferred? The Duma was ignored as an undemocratic assembly. With Prince Lvov at its head, a Provisional Government was formed. It included a competent organiser like Guchkov and an able doctrinaire like Milukov, but it had no definite basis in law or fact. A few days made it clear that all chance of stability depended on a new man, half Jewish, the Socialist Minister of Justice, Kerensky. He was a pallid but inexhaustible orator, tireless in harangues and in all kinds of political activity, dexterous in manœuvre. The power of his eloquence over the mob was the uncertain substitute for the power of the Tsars. Was he a Danton, a Napoleon? As it turned out he was much less than a Danton in words and but a Napoleon in effigy. All real control was rapidly passing, as we shall see, from the Provisional Government to the more sinewy hands of the Soviet of workmen and soldiers in the Smolni Institute — from the Girondins to the Jacobins; but otherwise this was to be an upheaval utterly different in spirit and effect from the French Revolution.

ZENITH OF ALLIES' HOPES IN THE WEST — THEIR FAILURE

This could not yet be foreseen. We turn to the west. There hope was at the zenith. America had intervened. The Russians, equipped with rifles, artillery, and every kind of fighting material as they had never been, were expected also to fight as they had never fought — with the inspired enthusiasm of a free people. The next military sequel in the west must not long engage us. It can only be shown in the broadest strokes.

Before Joffre was removed he had concerted, with the British commander, Haig, another but wider plan of prolonged assault on the Somme model. It would perhaps have cost more, and come as far short of expectations; but it could not have failed so completely as the changed plan adopted at the price of dislocation and delay when Joffre was superseded by Nivelle, whose confidence of being able to break through the enemies' front in a few days by his novel methods had hypnotised the politicians. There was a new *régime,* but the German Higher Command was too much for it. First, that command effected a strategic retreat with an impunity which made it one of the masterly movements of the whole war. In the middle of March their army disappeared from a wide sector, falling back upon the massive and manifold entrenchments called the Hindenburg lines. By this, the Germans shortened their front, and by ruthless destruction in the evacuated area they embarrassed the advance of the Allies, while the destruction itself, though largely legitimate according to the way of war, was in part so wanton and malignant as to rouse in the French a will to vengeance that was to leave its mark on the peace. Heartened in temper by the enemy's retreat and soon recovering touch with dogged vigour, the British at Easter opened the battle of Arras. It lasted a month, had brilliant incidents, such as the Canadian storming of the Vimy heights, and was pushed on with stubborn valour to the end; but it achieved nothing decisive either in gain of ground or by inflicting in the war of exhaustion a heavier loss than was suffered.

Meanwhile, Nivelle's own attack, so long expected, had opened on a 50-mile front forming a rough curve rising from near Soissons and bending round to near Reims. All France hung breathless on the grand plan. It had been known to the Germans for two months and their preparations were made with a care extraordinary even for them. Nivelle had staked his all



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upon the attempt to shatter in a few days a chain of terrible positions. By comparison with the ambition the failure was disastrous. The attack opened on April 16; the first two days showed that there would be no break-through. Paris was in consternation. The fight went on, but only as dull battery and butchery of the old kind. No magic formula had been found. The German losses were heavy, those of the French were appalling. In the first ten days of intense action their casualties were 100,000 (not counting the lightly wounded) and a third of these were dead. On May 16, Nivelle was dismissed. Pétain became Commander-in-Chief, and Foch found employment again as Chief of Staff. After the ardent visions of final triumph so rashly excited, this disillusionment nearly broke the great heart of the French army. Grave mutinies broke out. Through the ranks ran the cry: "This is murder." For some weeks the situation was more serious than the other Allies were allowed to know, and it was wonderfully concealed from the enemy. The *poilu* had many grievances. Pétain dealt with them like the wise and loving father of a family. By the middle of June the danger was over, and the whole army was again in hand. Hope was lifted once more as on broad wings.

For in a few days the first American troops landed in France. On July 4 Napoleon's shade seemed to look down on America's advance-guard under the dome of the Invalides, and when the little American column stepped afterwards through the streets of Paris, Frenchmen were full of emotion, women thrilled to tears. This was only a symbol; yet was it not the promise of an immeasurable strength? The new world was coming into action to redress the balance of the old. Surely after three years of what France had lately felt to be a national crucifixion the worst was over — surely now? Not yet. Now at last Russia, which still loomed so huge outwardly though swaying like a drunken giant, totally collapsed in the field and disappeared as an Ally. Ten months must pass before the United States could throw any appreciable aid into the western struggle. Simultaneously the submarine struggle was raging. For France, Italy, Britain, the supreme peril, military, naval, political, was at last in sight.

KERENSKY — LENIN — RUSSIA'S FINAL DÉBÂCLE

To see how this unparallelled situation had suddenly reached a climax of dismay and menace for the Allies, we must resume Russian events. From its first day the Revolution was on the road, not to regeneration but to chaos. Before the Tsar abdicated, the Soviet of workmen's and soldiers' delegates had been set up in Petrograd. It was hardly established than its notorious "Order No. 1," issued on March 15, began the destruction of the army, by abolishing discipline and subjecting officers to committees of the rank and file. Dostoievsky's mad under-world was breaking loose: with fantastic and ruthless theorists impelling illiterate masses, the revulsion from Tsarism was to be a dance of anarchy. The output of the munitions factories began to decline. General Kornilov was a hero but no Caesar. Called to command in Petrograd, he could base nothing on the shifting sands of its politics, and soon left for the front. In May Guchkov, Minister of War, resigned despairing, and was replaced by Kerensky, now openly supreme. Occupying at the Winter Palace the study and even the bed of the sombre, unyielding autocrat Alexander III, he was nicknamed "Alexander IV," and reigned in effect, but could not govern. He was only a dictator by rhetoric.

Already the real master of destiny had appeared in Petrograd, though

few recognised the coming master in one who was to equal in power and surpass in ruthlessness Ivan the Terrible and Peter the Great. With Trotsky and other lieutenants, Lenin returned in April; and the portentous chief of Bolshevism, though himself unluxurious and incorruptible, added to the contrasts of this wild ballet by taking up quarters without permission in the palace of a well-known *danseuse*. At Geneva he had worked for Germany, that the overthrow of the Tsardom might open the way for the complete Communist Revolution. The Germans were happy to provide sealed railway carriages for the journey of the Bolshevik leaders to Russia, and they were equipped with money for propaganda. They undermined the Allies and prepared their own triumph. The plausible formula of "peace without annexations and indemnities" worked like an incantation.

Kerensky, touring the front in a private uniform, used all his eloquence to incite the army to another effort, but he had refused to risk his life for the restoration of discipline. Mechanically equipped as never before, and in numbers far exceeding the enemy, the army was in moral dissolution. The "Kerensky offensive" opened at the end of June. Brussilov was in command, and his plan might have proved his master-piece had discipline and cohesion remained. For over a fortnight, though the successes were not like the whirlwind victories of a year before, it seemed as though his enveloping strategy might once more conquer Lemberg and Galicia. But the joint armies of the Central Empires under German command had now rallied for a counter-stroke and before their first very ordinary pushes, the Russians suddenly fell to pieces. On Thursday morning, July 19, Brussilov's troops eastward of Lemberg began to abandon their positions. Desertion *en masse* spread. That evening the enemy was marching through a gap 25 miles broad. By next day the army far and wide, despite the agonised heroism of a faithful few, had changed as if by black magic into a shameless rabble wreaking demented atrocities as it fled. Through frightful slaughter and suffering, Russia had hitherto helped as much as the western Allies to withstand the Central Empires. Without that effort no final victory could have been won, not even by the aid of America. Now Russia was wiped out as a military power. The Central Empires would presently throw their whole weight on the Allies in France and Italy before the American armies could arrive.

THE ALLIES' DARK ORDEAL — THE WAR OF EXHAUSTION

Those Allies were to hold on after all, waiting for America like Wellington for night or Blucher. It was not easy: it was grim. A chill wave of doubt and pessimism ran through their peoples. All their labour parties were urging an international meeting at Stockholm and "peace by negotiations." The Pope blessed these vague aspirations. During July of 1917 in Germany, Erzberger's bold speech had denounced the submarine campaign as a hopeless failure; next the Reichstag in its turn declared for peace by agreement. Chiefly through neutral intermediaries, furtive *pourparlers* were exchanged between Berlin and distracted Vienna on the one side, London and Paris on the other. There was no vestige of a basis for compromise. So far as the Central Empires were concerned, power at this time was still in the hands of Hindenburg and Ludendorff, and they had no thought of relinquishing Belgium absolutely and restoring Alsace-Lorraine. As little had even the perishing Habsburgs thought of yielding to Italy the Trentino. After the Russian collapse the Allies had less chance than ever of obtaining by diplomacy a stable or a safe peace. Count Czernin has written of the

temper of the German militarists at this time: "In the summer of 1917 I spoke to several generals of high standing on the western front, who unanimously declared that after the war armaments must be maintained on a very much greater scale. They compared this war with the first Punic War. It would be renewed and its renewal prepared." President Wilson, on the other hand, had now absolutely declared for some new system of liberty and justice and of world-peace secured by a "Covenant of nations."

The Allied peoples recovered their nerve like the French army after the mutinies. The war must go on. Dark as the situation had looked to all persons except those of indomitable heart and searching insight, there were four capital arguments in the Allies' favour.

First, there was a broad ray at sea. Could the U-boats have continued their rate of sinkings in April, nothing could have enabled the British Islands to maintain their war effort on the Continent. Slowly but surely, from August, 1917, onward, anti-submarine measures began to overcome the terror of the seas. From May American destroyers, joining the British flotillas — the comrades worked together like brothers — were rendering invaluable help.

Secondly, Austria-Hungary was at the last gasp, and warned Berlin about this time that on the Habsburg Monarchy the war of exhaustion by winter would have done its work. Germany could go on longer in any case, but under the cruel rigour of economic distress she, too, must soon come within sight of the limits of human endurance — unless, as a result of Russia's collapse, new fields of various supply could be exploited in the east.

Thirdly, America was making mighty efforts. She had laid under compulsory levy her whole manhood of fighting age. She had voted 20,000,000,000 dollars. Her measures for building merchant ships and constructing air-craft were proportionate. Whether with all this she could strike in time was still one of the momentous and exciting questions of all history. It was certain that she could not have even half a dozen divisions in France before the end of this fateful year.

Fourthly, the Allies had instinctive — and as it proved somewhat excessive — confidence in defensive battle should the worst come to the worst.

Meanwhile, as respects the military situation Britain must stand in the gap and bear the brunt pending America's arrival. Pétain insisted upon it as a matter of course, and he was right. French numbers had passed the maximum, were now declining, and must be conserved. Repelling German counter-attacks, Pétain's own enterprise was guided by skilful economy. In July, 1917, the enemy was ejected from the overlooking heights of Moronvillers, east of Reims. In August and September, the Germans north of Verdun were flung back on both sides of the Meuse, and the French line became almost what it had been before the great ordeal. In October, yet another limited offensive was carried through with the same verve and art, when the Germans were finally thrown off the Chemin des Dames and driven down to the lower ground northward. They had held these blood-soaked heights of the Aisne for over three years, since the ridges were entrenched as part of the formidable plan of recovery immediately after the short retreat from the Marne.

Far larger and more chequered was the simultaneous experience of the British army. In a year of fighting on the Continental scale it had learned much. In June its battle of Messines, fought a few miles south of Ypres, had been a perfect example of the local offensive, crushing the enemy within the limited area attacked. Soon, however, came a relapse into the dullest yet deadliest routine of the war of exhaustion. The frightful struggle known

in official records as the "Third Battle of Ypres," but known to the men as Passchendaele, opened at the end of July and was allowed to continue for over three months. As a military aid in the anti-submarine struggle, it was meant to clear the Belgian coast, by first taking the squat rises of ground called hills north-eastward of Ypres. It never came near the coast. Strategically it achieved nothing. Tactically several miles of ground were gained, but nothing important relatively to the whole war. British hopes were stifled in mud. Never had a battlefield been so like the slough of despond in everything except the temper of the troops who plodded through it to the dreariest of dooms. The men were obscurely great. The Command was in this phase obstinate and commonplace. Never did so vast a mass of brave manhood drag itself to death or wounds through a gulf so squalid. With all the advantages of circumstances, the German defence was consummate in anticipation and resources. It inflicted far more loss than it suffered. The British casualties were 230,000 men. The total British losses in 1917 were probably about twice as large. Never had a Higher Command less to show for a price so appalling. On this, at least, French and German opinions were at one.

Finally, in the latter part of November came the battle of Cambrai. It was a surprise battle. The British, attacking for the first time with a whole fleet of tanks, won at first a splendid success. It was brought to nothing in a few days by the brains, rapidity and force with which the Germans organised and executed one of the finest counter-attacks on record. In intellectual zest and temperamental vigour combined, they were still superior. Britain was bearing the brunt with magnificent and tragic stoicism on the part of her ordinary flesh and blood; but between the Russian collapse and the gathering of the final storm the methods of British military leadership in the west had not improved the Allies' chances.

LUDENDORFF'S GREATEST PLANS — THE ITALIAN CATASTROPHE

And what had happened elsewhere might bode worse. Despite their straits, the Central Empires were ruled in effect at this time by one strong hand — Ludendorff's. He no sooner had Russia completely at his mercy when Von Hutier captured Riga — by new tactical methods of which much more was to be heard — than he began in September, 1917, to gather forces for a greater *coup*. Desperately taxed, so far, to find troops for all purposes, he could now start to withdraw divisions from the eastern theatre. Pending the final offensive in the west, he meant to galvanise moribund Austria-Hungary by breaking Italy. This was to be done with overwhelming surprise, not by superior numbers, for they were not available, but by the boldness of genius. The point chosen for assault was one of the least likely — a sector of the Julian Alps some 30 miles north of the head of the Adriatic, where, as Ludendorff puts it, "the difficulties of the ground seemed almost insurmountable and the communications on the Austrian side were as bad as could be." A shattering stroke here would put the invaders almost at once upon the lines of retreat of the Italian main armies, and for them the result might be a Sedan. Undreaming of attack through such forbidding country, the Italians were holding the doomed sector with weak forces. After heavy losses in battle upon battle fought with tenacious gallantry, they had made little progress towards Trieste and were brought to a stand-still. Their spirit had ebbed, and peace propaganda was rife. Over-ruling the pathetic wishes of the Emperor Charles — so low had the Habsburgs fallen — Luden-

dorff insisted that the operations should be under German command, and the main blow was to be struck by General Otto von Below with picked German divisions, which had been put through a special training for mountain warfare.

On October 24 Von Below broke through at Caporetto, and the invaders poured onwards, widening the breach. Within the next few days the Italian Second Army was swept away in indescribable rout. The Third Army was retreating for very life. No disaster so sudden and complete had overtaken any Ally. All the gains of two and a half years were gone and Italy was invaded like France before the Marne. Could even Venice be saved? By a miracle, as it seemed, the Third Army escaped envelopment and outstripped the pursuit. The rear-guard actions were full of heroic episodes. Allied help was on its way, but before it could reach her, Italy rose to her crisis and saved herself. By November 10, 1917, the retreat was ended, a front was established along the Piave, and Venice was saved. The French and British reinforcements were soon in place. In furious efforts during the next three months, the Central Empires failed against the new front. The catastrophe had brought the country to within an ace of destruction, but a great moral recovery brought a new soul into the land. Caporetto, which was to mean the breaking of Italy, proved the making of Italy. And Rumania? Ruined by the Russian defection, Rumania had been brought to total surrender by the Central Empires and was a vassal state at the end of 1917. For three years the Allies had begun every year with hope and ended it with gloom. They had now experienced cumulative disasters only relieved by the fact of American intervention. Would America, who had come in too late for Russia, be too late for the rest? It might be. Those "were times that try men's souls." The Allied peoples in the west held on. At this moment they were very great.

1917–1918 — THE BOLSHEVIK ANARCHY — BREST-LITOVSK

The plunge of Russian affairs from depth to depth must now be followed as an introduction to the supreme military crisis in Europe. The ruin of the army was the ruin of all. Far and wide, through that red summer, the deepest passion of the peasants had broken out with elemental impulse. They attacked the landowners, killing such as they hated, burning houses, wiping out old scores, though chiefly bent, not on these things, but on seizing the estates, the farm-gear, the horses, the cattle. "The land, the whole land" — it was at last their own without paying for it, and they were determined that no *régime* should ever take it from them. The proletarians in the towns had been demanding more and more wages for less and less work. Then they began to seize the factories. Kerensky became Prime Minister as well as Minister of Marine. It was evident to foreign witnesses that unless Russia could throw up a bigger man, or could create a stronger system, she was doubly doomed. If Kerensky and General Kornilov could agree to work thoroughly together and to restore the army by re-introducing the death-penalty for desertion, there might be salvation yet. Instead, these two ruined each other by dissensions. Bedevilled by well-meaning marplots and ambitious intriguers — the telephone adding a peculiarly modern means of misunderstanding — their relations came to a breach. Kornilov was a lion in fight but in politics no fox, and his attempted *coup d'état* was a fiasco. Kerensky denounced him as an enemy of the Revolution and gained a momentary victory which was his own suicide. He had only

played into the hands of the extreme Reds. The peasants' fear of a reaction to take the land from them led to massacres in the country.

In Petrograd and the other towns, the Bolshevik conspiracy prepared its triumph. In July its first attempt at a rising had been easily suppressed, but the ring-leaders were treated with indulgence. Much had happened since then. There had been a rush to the Left after the loss of Riga and Kornilov's downfall. The whole tendency made for violence within and surrender without. The *bourgeoisie* and capitalism were execrated and banned. The Haves were marked out for destruction by the Have Nots. Lenin and Trotsky — the latter the active military spirit — formed their Revolutionary Committee. Sure of the ferocious sailors of the Baltic fleet, they gained over the Petrograd garrison. In action they made no mistake. On November 7, 1917, the second Russian Revolution broke out and succeeded as easily as the first. After Kornilov's fall, the dictatorship by declamation had nothing behind it. Kerensky fell at a touch like the Tsar, but "Alexander IV," more fortunate than Nicholas II, escaped to the west.

The Reign of Terror, now begun, eclipsed its Jacobin prototype of *Quatre-vingt-treize* and after. Along the loose, disorderly lines, still called a front, officers from Dukhonin, the Commander-in-Chief, downwards, were butchered by their men. At the same time, there was an unparallelled orgy in such words as end with 'ation, 'ology and 'ism. The Germans could easily have taken Petrograd, but knew that their work would be better done for them by the Bolsheviks. Lenin and Trotsky were masters of Russia, who knew how to keep what they had won. They at once decreed the abolition of private property, except in the case of the peasantry — nine-tenths of the population, who in practice had to be left undisturbed. Soon the Bolshevik junta dispersed the Constituent Assembly, suppressed every vestige of Constitutional Government, and at the head of the small Communist majority — a compact and vigilant faction holding all the towns and railways in their grasp — Lenin, Trotsky and the rest henceforth ruled Russia like the most despotic and pitiless of the Tsars.

An immediate purpose of the Bolsheviks was to desert the Allies formally and to make a separate peace with Germany — if need be peace at any price.

AFTER THE SECOND REVOLUTION

Within a fortnight they sent out by wireless the order to cease hostilities. On December 3, Trotsky, Joffe, and the rest of a magniloquent delegation arrived at Brest-Litovsk to meet bayonets with words. When an armistice was arranged for December 17, the world knew that Russia would not fight again, no matter what terms of surrender had to be digested. On December 22 the discussion of the terms was formally opened in that notable scene of the World War, where the groomed, clanking soldiers and finished diplomats of the Central Empires met and despised the shabby apostles of chaos. The Bolsheviks had been received with elaborate politeness. When it came to business they were put in their place. The hitch came upon the practical interpretation of the facile catch-word "No annexations." The Central Empires refused to evacuate the immense belt of territory formerly belonging to the Russian Empire and now occupied by their troops. In the Ukraine, the Little Russians, inhabiting in the south-west broad provinces, amongst the most populous and fertile of the old Tsardom, had set up an autonomous State, and now negotiations in January, 1918, were opened at Brest-Litovsk for a separate peace between the Ukraine and the Central Empires. The

latter were misled into imagining that supplies from this rich south Russian field, added to Rumania, might save their economic situation and beat the sea-blockade. The Brest-Litovsk Conference was adjourned on January 18. The Bolsheviks struck at the Ukraine, and their Red Guards captured its capital, Kieff. This only threw the Ukraine into the arms of the Central Empires, and its separate peace with them was signed on February 9.

The intolerable debate between the Central Empires and Russia proper was resumed. The Bolsheviks threatened to talk for ever, but they were in a vice, and the Central Empires thought it time to tighten the screw. Trotsky now sought to escape by announcing that the Russians would unconditionally demobilise. For Ludendorff, who would have to grapple with the western problem in a few weeks, it was high time to force conclusions on the eastern side. He insisted upon the denunciation of the Armistice. Hostilities re-opened on February 18 along the whole front of Great Russia. This promptly brought the Bolsheviks to total surrender. The writhing sophists knew at last that they were in the inexorable grip of an armed hand. Lenin removed the Government to Moscow, but on March 3, the Bolshevik delegates signed, at Brest-Litovsk, the most shameful and merciless terms of submission up to then imposed upon any nation in modern times. The Teutonic conquerors now made the terms still harsher for the prostrate Slavs. All along her European frontiers from the Arctic Ocean to the Black Sea Russia was dismembered. After a debauch of imaginative delusions, such as the world never knew; after all the verbal incantations, a quarter of Russia's former lands and a far higher proportion of her economic resources, were wrenched away. It was the Nemesis of a profound mental feebleness. Amongst the belligerents, Russia had been most largely invaded. The cry of "No annexations," whereby the desertion of the western Allies was first advocated, was, therefore, an interest spuriously exploited as an ideal. None the less, by the usual irony of events, Russia in the end was to be saved from the worst consequences of the peace of Brest-Litovsk by the Allies and the associate whom the Bolsheviks had betrayed.

The Germans were always able but never wise. Incomparable almost to the last in every kind of concrete efficiency, they seemed spiritually purblind. So far from being such slaves of Prussian drill as routine criticism suggested, they were more adaptable and elastic than any other army; but masters of detail, they missed the essential. Their militarism employed a prodigy of means only to defeat its own ends. In peace they had made their capital error when they exploited the weakness of Russia after the Manchurian defeat. In war the Treaty of Brest-Litovsk was the densest of their blunders. For two reasons: Their recent peace-talk was turned to mockery, and as they shewed no mercy when they had the chance of abusing a temporary advantage, they must expect little mercy if fortune ever turned against them. Yet in all this the omnipotent militarists were to blame, not the people. Responsible government, in the English sense, did not exist in Germany. Above all, in their own self-interest by which they meant to be guided, the German militarists ought to have restored a Russian monarchy dependent on Berlin, as they could easily have done. If this had been accompanied by moderation and even generosity with respect to territory, all Russia might have worked for them. Together Hohenzollerns, Romanovs, and Habsburgs might have remained dominant to this day. Now, both the other dynasties and Imperial systems were to fall into the gulf in which the Romanovs had disappeared. With trampling confidence at Brest-Litovsk, by the psychic stupidity which had dogged her statecraft since Bismark and neutralised the giant growth of her material strength, Germany had thrown away her last real chance.

1918 — GERMANY'S SUPREME EFFORT IN THE WEST — THE BREAK-THROUGH AT LAST

Her indomitable militarists thought otherwise. Staking all on one last and mightiest ordeal of battle, they had swung westward; they measured the Franco-British lines before the supreme attempt. The attack in the west was fixed to open on March 21, 1918, less than three weeks after the final triumph in the east. Into that struggle they meant to throw not only their accumulated force to the last man, but their brain and fibre, exerted as never yet, their perfected experience, their preëminence in surprise, their inexhaustible powers of fresh contrivance. The chief *schlachtdenker*, and his colleagues had done their battle-thinking well. It must always be allowed that the preparation was magnificent. This, at last, on the enemy's side was to be that thing of which the Allies as yet had but ineffectually dreamed — the grand plan framed with solid mastery and thorough detail after tested calculation.

To follow the workings of Ludendorff's directing mind at this period is an absorbing study. He considers his means. First, he had brought up 40 divisions from the east. After this "we had 25 to 30 divisions more than the enemy (the Allies) on the whole western front . . . our superiority was greater than it had ever been and afforded prospects of success." Taking the risk of holding the rest of his front weakly, he proposed to hurl 700,000 or 800,000 men — more than half his whole force — into the actual attack. The German commanders retained so much vital energy of mind in the work of their profession that at this late stage of the war they worked out a new and brilliant system of assembly and tactics. The chosen divisions were to be massed for attack at the last practicable moment before the action. "Lorries, lorries, lorries," was Ludendorff's order to German industry, and he got them. The preliminary bombardment was to be short but crushing, carried out with massed batteries — nearly 100 guns to every 1,000 yards — pouring a cataract of gas shells upon the Allied line. Then the infantry were to advance keeping close to the rolling barrages. Special troops in loose formation were to lead the infantry, and then the advance must be continuously fed. Machine-guns, light trench mortars, flame throwers, aircraft, were to be employed in a quantity and with ingenuity of tactical combination never before seen. New methods were devised for pushing up the artillery. Ludendorff's only weak point was that his reserves were nearly exhausted. It might be fatal if in the first stages achievement came short of expectation, and this struggle, like others in the west, was protracted for months.

For a conception of this magnitude carried out with this degree of executive ability, the Allies' minds were little prepared. In France, the unquenched veteran, Clemenceau, had become Premier and the old tiger of politics was a born War Minister. Mr. Lloyd George was tireless in activity and eloquence. He was in favor of what the Allies most required — a more unified command — but had not yet come to the vital point in that respect, the acceptance once for all of a French generalissimo. After Caporetto, a Supreme War Council was set up at Versailles. It was ineffective. Foch appealed in vain for the creation of a general reserve ready to be thrown towards the point of danger when it was known; and equally in vain for a single command. On March 15 he vehemently predicted disaster. In six days it came.

Ludendorff in arraying his means, had considered his objective. The



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Nikolai Lenin, the chief agent in establishing the Bolshevist *régime* in Russia addressing a street crowd on a First of May celebration.



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Nicholas, once Tsar of all the Russias, as he appeared during his captivity at Tsarskoe Selo after the first Revolution. With the accession of Lenin his doom was sealed; and he and his entire family were assassinated July 16, 1918.

Allies' "weakest part," as he writes, "was on both sides of St. Quentin." The final break-through he hoped would begin northward of that town. The decisive direction was presently indicated by the long straight road from St. Quentin to Amiens. But he hoped that the German army would drive down the Somme towards the coast. "If this blow succeeded, the strategic result might indeed be enormous, as we would separate the bulk of the English army from the French and crowd it up with its back to the sea."

This was the immense issue for the world when the greatest and longest battle of all time opened on March 21. It was to rage for seven months as a drama of stupendous vicissitudes. The Germans suddenly brought up their attacking divisions with unprecedented speed and skill according to plan. The surprise was complete, and round St. Quentin it was overwhelming. Before Von Hutier, the victor of Riga, past-master of the new tactics, and before his 23 divisions, the British Fifth Army, deluged with gas shells, went down and was soon swept away. Hopelessly outnumbered, it fought with hopeless heroism. The enemy swept on through the widening gap. The attack had begun on Thursday morning. By Saturday, in three days of mist, the Germans had advanced nine miles — a break-through hitherto unknown in the west. They poured over the Somme — and still pressed forward on both sides of the straight road toward Amiens. Northward, however, Ludendorff had met with an ominous check, where the British Third Army stood like a rock. Modifying his plan, which had looked for a wider collapse of the British, Ludendorff now directed the main weight of his attack towards Amiens itself. The critical question was whether the city could be saved and with it the vital point of junction between the British and French armies. After a fortnight's fighting, the answer was given at the beginning of April when the first phase of the struggle closed. That answer was not what Ludendorff hoped. The Germans had indeed pushed almost to Villers-Bretonneux, nine miles from Amiens. They never got further. Ludendorff had done mighty things, but not enough for Germany's emergency; and between the lines of his record we can read the secret anxiety of his soul. From St. Quentin his armies had advanced 40 miles. In ten days the British had suffered 175,000 casualties. The connection between the British and French armies depended for the moment on one precarious link. The link held. Ludendorff writes with honesty: "Strategically we had not achieved what the events of March 23, 24 and 25 had encouraged us to hope for. That we had failed to take Amiens, which would have rendered communication between the enemy's forces astride the Somme exceedingly difficult, was especially disappointing. Long range bombardment of the railway establishments at Amiens was by no means an equivalent." At the outset he had missed the essential.

What he could not yet realise was that other things had happened more memorably to his disadvantage. In place of Gough's broken army, French divisions had stopped the breach. After the first five days of battle a continuous front was reëstablished. The Allies were to be in peril again, but never in peril so deadly. British statesmen were roused to do what ought to have been done long before. On March 26, at the Conference of Doullens, General Foch, whom we have seen as one of the chief heroes of the Marne and then relegated to the retired list, became generalissimo in everything but the name. For the first time in the west, the Germans were opposed to a soldier of genius with full powers, and were to meet in him that rare union of calculation and inspiration such as the Teutonic race had not produced. Even if he was less than a Napoleon, he was somewhat more than a Ludendorff. Foch's purpose was the great defensive passing to the

great offensive. He would exhaust, if possible, the enemy's reserves and wait for the Americans to give him an assured superiority of numbers. For that he must face at least three months of uttermost tension, borne with that mingled fire and stoicism, of which his soul was composed. Meanwhile, he proceeded to constitute as rapidly as possible his general reserve to reinforce any part of the front henceforth threatened — his *masse de manœuvre*. The enemy was hardly arrested towards Amiens than Germany struck heavily elsewhere.

BATTLES FOR LIFE — FLANDERS AND THE MARNE — AMERICA'S RUSH TO AID

The grand plan, as we have seen, had relatively failed in the north, but the Germans could not yet bring themselves to relinquish their obstinate dream of breaking the British in Flanders and driving them back on the sea towards Calais and Boulogne, perhaps out of these indispensable supports. This second main attack, the battle of the Lys, opened on April 9. Between their front and the coast, the British had no depth of ground to give them a chance of safe retreat in emergency. They had to hold at all costs, and they held. Through thundering days and weeks, Haig's great army and the reinforcing French divisions fought "with their backs to the wall." Where every mile was important, they were at first forced back dangerously between their buttresses, the Ypres salient and Bethune. They kept both Ypres and Bethune, and still solidly barred the roads to Calais and Boulogne. Again the enemy had made some progress, but less than ever had he made enough for his purpose.

Mr. Lloyd George had been able to make an announcement which was like a trumpet of encouragement to France and Britain. By now the United States was straining to be in it, and President Wilson's message was that American troops would henceforth arrive in Europe at the rate of about 120,000 a month. Even so, time pressed hard. The Germans had still well over 200 divisions in the field, the Allies less than 170. By the end of April, however, the enemy in Flanders, as before Amiens, was fought to a standstill. Ludendorff was more anxious now. "The suspension of our offensive had of course the most far-reaching results. The enemy recovered at the same time as ourselves. Owing to lack of drafts our losses made themselves unpleasantly felt." Moreover, here and there a deterioration of fighting quality was perceptible. On Germany a chill shadow of instinctive apprehension now began to fall. After five weeks, in spite of big local advances, there had been nothing after all like a strategical break-through.

Compelled, with extreme reluctance, to abandon for the present the attack on the British, the German Higher Command again turned elsewhere, this time towards the centre of France, and braced every nerve to drive in, and shatter, if possible, the French front between Paris and Reims. If this latter aim was not achieved, at least the Allies might be compelled to weaken their lines in the north in order to reinforce the centre. In that case, the British might still be crushed in Flanders or their link of contact with the French snapped at Amiens. Once more the intention was to strike at that sector of the Allied front which was for the moment weakest in men. The positions which included the heights of the Aisne and the Chemin des Dames, were thought to be impregnable, and even Foch sent weary troops there for a relative rest. Accordingly, with the French were four tired British divisions. To the enemy's Higher Command this was a situation as tempting as Caporetto. In deliberate thoroughness the German preliminaries equalled

the masterpiece of preparation before the twenty-first of March. The surprise was as complete. The attack began on May 27, and at first succeeded once more beyond dreams. Storming the Chemin des Dames and the whole line of the Aisne heights, the Germans broke across that river and pushed straight towards the Marne itself. The French Eleventh Corps was annihilated in the first sweep, and with it a British division. Soissons was lost. In a few days the enemy reached the Marne and even crossed it. They captured Château-Thierry less than 50 miles east of Paris. In three days they had advanced 30 miles, taking between 30,000 and 40,000 prisoners and 400 guns. It was marvellous, but again it was not enough. The wedge-shaped area, now won, narrowed southward to a blunt apex only 15 miles wide on the Marne, and was exposed on both flanks. Reims had been invincibly defended on one side; the French held the forest of Villers-Cotterets on the other. Supply was difficult. Ludendorff writes: "It was a strategical disadvantage to us that we had been unable to take Reims and get our armies further forward into the hilly country in that region." A strong attempt had to be made to secure more room on the other side — the sector northward of Paris between Montdidier and Noyon. In this battle for elbow-room a considerable result was achieved; but once more it was not enough, and this time — note the significant moments — not all the gain could be held. The redoubtable Von Hutier at his deepest point of penetration in this quarter had advanced about eight miles nearer Paris, but was still 50 miles away. And in 48 hours there was a change. Mangin counter-attacked, and the conclusion of his orders was in these phrases: "To-morrow's operation should mark the end of the defensive battle that we have been waging for two months; it should stop the Germans, resume the offensive and result in success. Let every man understand this." Words worthy to be engraven. On June 11, with Dantonesque audacity, Mangin in broad daylight launched five divisions and a tank flotilla from the woods. Mangin only gained about a mile and a half, but he gained. It was new. Realising the limit of their capacity in this direction, the Germans instantly suspended their offensive. By now the recurrent rhythm of their fortunes was like Greek tragedy. In their relation to every main objective they were "so near and yet so far."

The Allies, nevertheless, had felt this episode as a peril nearly as great as at the end of March. Though France threw her African levies into the struggle in increasing numbers, French reserves, after nearly four years of massacre, were near the point of exhaustion. But now, at last, America was arriving like Blücher and before the night. On June 2 Pershing agreed to send five American divisions into the front line. Already on May 28 their first division, fighting shoulder to shoulder with the French, had captured the village of Cantigny and held it against three vehement counter-attacks. It was agreed at Versailles that 170,000 Americans would be landed in France during June and 140,000 more in July. At last — at long last — the Allies felt that they were near the turning of the tide. It had not quite turned yet. Ludendorff had not a bad heart naturally; but, warped by the Prussian creed, he was unchivalrous, grudging and narrow in his estimate of opponents, and thus self-deceived. He wrote: "At Château-Thierry, Americans who had been a long time in France attacked our thinly-held fronts; but they were unskilfully led, attacked in dense masses, and failed. Here, too, our men felt themselves superior." There we have the vice of the German mind under William II. They felt themselves superior until they fell as even Russia had not fallen, and ever afterwards, alas! so deeply were the modern Germans infected by the egotistical taint of the old system, they still at heart felt themselves superior. But the *dénouement* was still months away. Between March and the middle of June, Ludendorff had thrown the dice

three times without strategical result. For the fourth and last time he would cast again. He was not to be under-estimated. He might do it yet. Men might reckon to the contrary. They could not know.

1918 — LUDENDORFF'S LAST THROW FAILS

Awaiting the end of this last pause of uncertainty in France between the middle of June and the middle of July, let us glance quickly at other things. The Germans had been waiting eagerly for the opening and result of the last Habsburg attack on Italy. It was meant partly to break the Italian front on the Piave, partly to turn it from the rear; and so to conquer the whole Venetian plain between the Italian lakes and the Adriatic, bringing into Austro-Hungarian hands Verona, Padua, Venice itself. Launched on June 15 the last convulsive effort of the dying Habsburg Empire was a total failure. Initial successes were local and momentary. In the northern mountains the turning movement under Italy's old, rash enemy, Conrad von Hötzendorff, was beaten at once. On the Piave, the situation for a day or two was more anxious. The assailants in force crossed a long stretch of the river and threatened to carry the whole of that vital front. The Piave, however, rose in flood, carried away the enemies' bridges and seemed to take a personal part like the rivers in Homer. The Austrians succeeded in recrossing it, fortunate to escape before the decisive force of the Italian counter-attacks was strengthened by the French and British contingents. Ludendorff might well note "this unsuccessful attack was extremely painful to me." The break-up of the Habsburg Monarchy by the defection of all its subject races was at hand.

At sea the submarine peril was mastered. British sailors, by an epic attack on Zeebrugge, had blocked that U-boat nest, and next with equal daring, they partly corked-up Ostend. The German navy never came out, though Germany's fate, foreshadowed by sea-power from the first, was now irrevocably decided in the Atlantic. In the three months, April, May and June, over 600,000 American troops landed in Europe. On June 24, Germany's Foreign Minister, Von Köhlmann, dared to warn his country that it was idle to look for a decision in the field. He ruined his political career, but his speech was the writing on the wall.

The time had come when the fate of the Central Empires must be staked on a last throw of the iron dice. Ludendorff did not know it was to be the last throw. That the situation was bad he knew, but not how bad. He could not guess that Foch, already resolved to take the offensive, was now, and with consummate judgment, playing with his enemy. Ludendorff's original scheme was ruined. His last advance had made his situation more disadvantageous in every way, and master of preparation as he was, but below genius in unexpected emergency, he had allowed himself to become a self-deceiver, unsure of his strokes.

The beginning of his final crisis found him in two minds. The chief desire of the whole Higher Command was to conquer the British in Flanders. At present the British were too strong. The Higher Command decided on the postponement, as they thought, of the Flanders offensive, not realising that in this quarter their chance had passed for ever and that the obstinate island was as sure to survive Kaiserism as it had survived Napoleon. Accordingly, Ludendorff looked elsewhere in his search for the weakest point. Studying the long central stretch between Paris and Verdun, he found that while the bulk of the Allies' reserves covered Paris as he supposed — they

had by now another purpose — their line was most thinly held between Château-Thierry and Verdun. Here Reims with its mutilated cathedral was the French keystone. Were that wrenched away, there might be a wide fall extending the German salient on the Marne far along the river. Accordingly, the German Command planned for the middle of July an attack on both sides of Reims. They hoped the effect would be so to weaken the Allies in the north, that the British could be attacked in Flanders a fortnight later and the war won. By now, this was juggling with fantasies. Solid calculation had disappeared. Already Ludendorff's own instinct — as he records — had asked him whether the time had not come to resign himself to the defensive; but he stifled the thought.

On the night of the national fête of France, July 14, 1918, the German artillery began to rage from Château-Thierry to the Argonne. At dawn next morning, the German infantry sprang from its trenches. East of Reims they advanced against Gouraud, only to fall into a deadly trap. The French had abandoned their first positions, where only a few devoted detachments were left to give warning and gain a little time by the use of their machine-guns. In their second positions the French had accumulated all means to give their enemy a crushing reception. The Germans, fighting desperately, attacked again and again, returning to the assault only to leave heaps of dead. But elsewhere they had done better, forcing the passage of the Marne across a long stretch of its course, driving on for several miles southward. Then, on this side also, the Germans were firmly held and brought to a standstill. By this tactical success they were only more entangled. Strategically, the failure of the last German offensive was absolute. Forty-eight hours had shown that in this region the attack must at once be suspended. Accordingly, on the night of July 17, Ludendorff and Prince Rupprecht consulted about renewing the assault in Flanders. It was too late. For them henceforth it was not to impose decisions but to submit to them. Nearly four years after the outbreak of the war — when they reckoned on triumph in six weeks — the initiative had passed for ever from their hands. Next day Foch launched his first offensive — soon to be pursued without truce or stay until German ruin was complete. July 18, 1918, was one of the turning-points of history.

JULY 18, 1918 — THE TURNING-POINT OF HISTORY — FOCH STRIKES

That morning the French force destined for the chief part under the brilliant Mangin, thrust like a sword into the flank of the exposed German salient between the Aisne and the Marne. The enemy, surpassed at last in technique and resource, was taken by a triple surprise. The first was the very appearance of the French. They had assembled in the neighbouring forest of Villers-Cotterêts, and their complete mastery of the air had helped to prevent the Germans from guessing what was gathering beneath those far-ranging tree-tops. The instant rapidity of attack without any warning bombardment was the second surprise. The third launched forward over 300 tanks, a larger swarm than had yet worked together. These craft were light, low, fast models and, as they came on, almost invisible amongst the crops of high summer, their machine-guns flashed over the standing corn. At one point Mangin advanced eight miles — more than the Allies had yet made in one day. He was looking into Soissons itself, the key of the whole salient. Further south the French and two American divisions had broken widely and deeply into the German lines. By the evening the first triumph

was won — victory, and the herald of victory. The enemy had lost 15,000 prisoners, 300 guns, and broad positions that in the circumstances were vital. Hindenburg and Ludendorff, meeting at Avesnes, might well "retire immediately to the office." There was only one thing to be done. "It would not be possible to hold the salient permanently, and a new attack on Reims seemed hopeless." And now, worse still: "The offensive in Flanders could not bring a rapid and decisive success. . . . G.H.Q. therefore decided to abandon this offensive." With that the last great dream was quenched. Rushing up reinforcements in their lorries, the Germans made a vigorous defence during the more broken fighting of the next twelve days. By the beginning of August they had extricated themselves well from the Marne salient and stood on a straight battle-line north of Soissons and Reims. Ludendorff sums up: "The impetus of the army had not sufficed to deal the enemy a decisive blow before the Americans were on the spot in considerable force. It was quite clear to me that our general situation had thus become very serious. By the beginning of August we had suspended our attack and reverted to the defensive on the whole front." He adds — and it is the first note of deep human pathos — that though "the desire for rest was as legitimate" as it had always been after utter strain, "whether the enemy would let us have it was the question." Inexorably negative was the answer.

FOCH AND THE GRAND PLAN — THE FULL TIDE OF VICTORY

From now Foch was sure of a cumulative ascendency in every kind of force. It would increase rapidly with every month, and if hostilities were much prolonged Germany must succumb under a process as gradual and terrible as the mediæval punishment of pressing to death. In numbers the French army was now declining, though it had never been so fine an instrument. The European Allies as a whole, however, had still a surplus, and the man-power of their great American associate was illimitable relatively to the remaining conditions of the war. Germany's case on the other hand was tragic. On every side she had inflicted far more loss than she had suffered, but she had shot her bolt. Most of her reserves were immature youths called up before their time to be the "Marie-Louises" of a lost campaign. Now even the iron-hearted German Command flinched at the thought of sacrificing these to Moloch. For the question of Germany's future after defeat must now be looked in the face. If the boys were to be preserved, the other troops, less than a quarter of a million, would soon be used up. Nevertheless, Ludendorff induced himself to suppose that he could hold his line by defensive fighting and by occasional counter-strokes until the Allies were brought to a compromise.

In any case, the task that lay before Foch was still a vast and formidable problem. Wielding the ascendency of force, what would he do with it? His plan was in two parts: First, in a series of preliminary battles at widely separated points he would recover valuable railway connections and improve his communications all round for the purposes of the great assault. Next, he would attack the enemy by concentric strategy, varying the direction of the blows so that no German sector could feel itself safe for a day, and sustaining the whole offence without intermission so as to leave the enemy neither rest nor respite. Above all, he hoped by advancing up the Meuse northwards from Verdun, to imperil and sever the enemy's main communications with Germany itself. All those communications passed through a relatively narrow area — the rough country between Liége and Metz.

In this way the invaders of France and Belgium might be brought to catastrophe upon the widest military scale. The end of the great invasion, however, was not destined to be a Nemesis so spectacular and so salutary, but was to come about in another manner not then foreseen by Foch. On August 7 a resounding decree, already well deserved, had named him "Maréchal de France."

Next day the first of his preliminary battles was to begin. Meant to clear the Paris-Amiens railway and fixed for August 8, it was confided to Sir Douglas Haig. The main British army, improvised during the war, had taken time to learn its trade. It was now beyond dispute a magnificent fighting machine and was henceforth directed with equal ability. Accordingly the battle, meant to be preliminary, was to have practical and moral results beyond anticipation. The British had shown a curious psychology. They began lethargic, but ended fresh. It seemed as though nothing could rouse them but long adversity; and that the longer it lasted the better they were. Canadians and Australians gave a keener temper to their steel. An American regiment was with them in the great action now opened. Rawlinson was in immediate command. The British artillery no sooner opened than the German batteries were mastered. Covered by a thick mist, troops and tanks drove at the enemy and went on without mistake or check. The surprise was complete. The German front nearest Amiens was smashed in to a depth of from seven to eight miles. The advantage was improved throughout the next few days. Before Rawlinson's corps were stopped, they had taken 22,000 prisoners and 400 guns. For the delivery of Amiens mass was said in the cathedral called by Ruskin "the Parthenon of Christianity." Men felt fortunate who had lived to see that day, and they thought of the comrades who had gone down by the hundred thousand in the darkest hours on the desolate old battlefields hard by.

Fighting in conjunction southward, the French under Debeney had harder work, but they, too, made wide way. Foch now realised that his chance was even better than he had thought, and he used it to the full. The main battle had begun. His generals, Debeney, Humbert, Mangin, were worthy of him. They handled their tasks like Napoleon's marshals, and Haig's generals, like Rawlinson, Byng and Horne, were as good. The German Higher Command felt like a man bludgeoned from every side. From August 10, Humbert's army was at fierce grips with the tough Von Hutier. Mangin's army was unleashed on the 18th, and striking between the Oise and the Aisne at a cornerstone of the German front, to Ludendorff's alarm he won a first footing on the heights of the Aisne. Nor was this the end. Already attacked along 100 miles of front, and menaced chiefly, as they believed, on the south by Mangin's thrust towards the vital point of Laon, the enemy threw in thither what strength they could muster.

They were no sooner deeply engaged there than Foch completed their distractions by striking harder than ever in the north. Their terrible August rose to its pitch of crisis. On the 21st, Byng's army, between points about 20 and 30 miles north-east of Amiens, struck towards Bapaume across part of the wilderness blasted beyond recognition in the battles of the Somme two years before. Rawlinson, on the right, nearer Amiens, soon came into linked action. This broad battle on a moving front nearly 40 miles wide lasted 12 days, and carried the British forces leagues onward — beyond Bapaume, beyond all the nightmare-country of 1916, even beyond Péronne, the key of the upper Somme, which the Germans had meant to hold at all costs. In spite of their picked troops, the Australians seized it by a night attack, one of the signal exploits of the whole war. But while this struggle was in

mid-swing, the Allies began the sixth of their main assaults since August 8. Still further northward, Horne's army, on the 26th, opened another and conquering battle of Arras. Here and onwards the Canadians shone in the forefront. Winning as much ground in a day as had been taken in six weeks during the grim struggle that raged after the Easter of 1917, Horne's force pounded ahead, breaking down all before it. On September 2, a British and a Canadian corps together did one of the biggest things yet. Midway between Arras and Cambrai, they broke clear through the Wotan line, one of the most powerfully and deeply fortified of all those positions to which the Germans in other days had given the grandiose Wagnerian names. That night, between September 2 and 3, the enemy began wide movements of retreat which lasted a fortnight. South of Ypres they disappeared from the Lys salient, soaked with blood.

By the third week of September, the six weeks of immense battle in northern France had transformed the military situation. The Germans, with shattering loss, had been driven back to the positions whence they started in March. Worse still, in other places they had lost sectors held for nearly four years.

AMERICA'S BATTLE

Far away from the rest, near Verdun, the last of the preliminary battles had now begun. It was America's battle entrusted to Pershing's First Army. After all that had happened, nothing could startle men in general; and yet they paused amidst all other conflicts and excitements to realise that the appearance of the United States as a distinctive belligerent on the Meuse marked one of the extraordinary moments in Europe's annals through its thousands of years and in all world-history. In September, 1914, the Germans at one point had broken through the French fortress-line in the east. At St. Mihiel — about 20 miles south of Verdun — they had reached the Meuse and crossed it. Wedge-shaped, the St. Mihiel salient was unique in the war. It embarrassed communications in the rear of Verdun. It was like a spear-head driven into the French system, and no efforts had been able to pluck it out. The Germans now knew they must retire, but were not quick enough. In the dark hours of the morning of September 12, the American bombardment began. At dawn the salient was attacked from two sides. With a fleet of tanks and swarms of aeroplanes, Pershing's army went over the top. Attached to it was a gallant French contingent. Through the close woods the battle went on all day. The concern of the Germans, caught between two fires, was to get out, and by next morning, leaving behind them 16,000 prisoners, 400 guns, and the mass of stores, they were gone. Early on the morning of the 13th, the northern and southern forces of the attack joined hands. In 24 hours, the American battle had wiped out the St. Mihiel salient. The army of the United States was within range of the guns of Metz. As much as anything in the Crusades, this was the romance of history and the efficiency of romance.

THE GERMAN AGONY

To grasp the significance of the whole struggle — from the deliverance of Amiens, with its main railway, to the complete disengagement of Verdun — we must see it from the German side. Ludendorff knew what it meant, and the iron entered his soul. Rawlinson, Debeney, Humbert, Mangin, Byng, Horne, and Pershing — these seven had rung such iron chimes for the invaders of France and Belgium as only the Germans hitherto had rung for others. This



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Five outstanding Leaders of the World War on Land and Sea. Left to right: — General Jacques (Belgium), General Diaz (Italy), Marshal Foch (France), General Pershing (America), Admiral Beatty (England).

was the knell of doom, and Ludendorff knew it from the tolling of the first bell. August 8 was "the black day" of the German army in the history of this war. So far, as he adds, "this was the worst experience that I had to go through." Again: "The balance of numbers had moved heavily against us: it was bound to become increasingly unfavourable as more American troops came in." And yet again: "The fate of the German people was for me too high a stake. The war must be ended." But it was easier to get into it in those far-off "Hurrah-days" of August, 1914, than to get out of it in August, 1918. Ludendorff offered his resignation, but it was refused. Vienna was in utter despair, but the German people in the mass were still hoodwinked. At a dejected council under the presidency of the German Emperor, who was supine, it was uselessly resolved to seek peace through the medium of the Queen of Holland. The Imperial impotents, William and Charles, still disputed about what was to be done with Poland. Even yet they chaffered about territorial booty and thought they would keep their crowns. But the bells of doom would not stop ringing. Every day brought its tidings of disaster. Ludendorff writes after Mangin's blow towards Laon: "Again we had suffered heavy and irreplaceable losses. August 20 was another black day." The whole situation became blacker and blacker as the next three weeks passed. "What I had gone through would have left its mark on any man." He still hopes to make a stand on solid winter-positions of some kind. Behind part of the Hindenburg system the Germans were labouring with desperation to prepare the "Hermann line." Behind this again they thought of a last line, ranging straight from the Dutch frontier to Lorraine and passing in front of Antwerp, Brussels, Sedan and Metz.

While he was in this mood, after Foch's preliminary victories, bulletin after bulletin reporting irretrievable disaster in the east came upon him like the last messengers to Macbeth. Bulgaria surrendered. The Ottoman power in Palestine was annihilated. Turkey must surrender. After that the collapse and dissolution of Austria-Hungary were merely a question of days. The whole fabric of the Central Alliance crashed from the Danube to the Jordan. For Hindenburg and Ludendorff this was like earthquake rocking the whole ground behind them. Germany was like the last fabric left standing, and swaying before its fall.

COLLAPSE OF TURKEY AND BULGARIA

Here we must summarise in a few sentences the antecedents of this unexampled crash of the states between Vienna and Jerusalem. Long ago in the Middle East the British, after galling vicissitudes, had taken Bagdad and driven the Turks out of Mesopotamia. With ease they had defended Egypt and the Suez Canal. They had raised and led the Arab national movement against the Turks. The superficial Kaiser's vision of a Pan-Islamic movement had proved a facile myth. The British, according to their usual experience, met more checks when, advancing from Egypt, they opened the offensive against Palestine. At Gaza, they hammered on its gates in vain. There, as elsewhere, they continued and retrieved. Allenby, the Sheridan of the war if any figure in it deserves that name, was summoned from the west to take command in the summer of 1917. Disposing of more means than his predecessors, in six months he achieved. On December 11, with modesty and on foot, he entered Jerusalem. Through the next months he strengthened himself, waiting or moving with circumspection. He prepared very deliberately, but had an explosive certainty when he struck. His forces were more bronzed or black than white — more Islamic, Hindu, Jewish, than Chris-

tian. His final battle, opened on September 19, northward of Jerusalem, was boldly imagined and, in the symmetry of its execution and results, was that "battle without a morrow" which haunts the dreams of all generals worth their title. Cavalry came to its own as on no other field. Three Turkish armies ceased to exist leaving 60,000 prisoners and over 300 guns in Allenby's hands. The victors swept through Syria towards Asia Minor — northward to Damascus, northward still to Aleppo. Though the formal capitulation was delayed a few weeks, Turkey in the third week of September was struck out of the war.

Bulgaria, one of the smallest of the European belligerents, had played a disproportionate part, and since her entry into the struggle in October, 1915, had undoubtedly prolonged the war by two years. With her aid the Allies could have mastered Gallipoli, forced the Dardanelles, taken Constantinople and saved Russia. By her intervention against the Allies, she had brought about the downfall of Serbia and Rumania alike, linked up Turkey with the Central Empires, and bolted the Balkan approaches to the Black Sea. Until this last autumn of the war, the Allies had failed for three years to realise their hopes on the Salonika front though, for military and naval reasons alike, this Macedonian enclave with its great seaport was well worth holding. King Constantine had been forced to abdicate in the summer of 1917, and Greece under Venizelos, instead of being a doubtful neutral in the rear, had become a militant Ally. In the Serbian divisions lived the soul of their lost country, though the Central Empires had dealt with its body like a carcase. The Bulgarians in their mountain positions looked as impregnable as ever; but their soldiers were sick of the war; their wily King and doubling politicians were yet more anxious to be out of it. Quickest to read the writing on the wall, they hoped by early desertion to acquire merit with the Allies and escape part of the impending wrath. A few months before they could have made excellent terms; now it was too late. In the middle of September General Franchet d'Esperey attacked with the whole force of the Allies and broke at once through the enemy's centre. It was as though an iron gate had been blown open by dynamite. In a few days the rest of the Macedonian barrier was swept away. Through the valleys and over the ridges of this wild country the Serbs, above all, were rushing back to their old homes with incredible speed. From the first 24 hours the Bulgarians knew that the long attempt to retrieve 1913 had only ended in a deeper bankruptcy. Negotiations for an armistice were soon opened. On the last day of September Bulgaria submitted to terms of surrender which ejected her at once from all her conquests since 1915, and placed all her fighting equipment and all her old territory with its means of transport at the absolute disposal of the Allies.

The military consequences for the whole war were evidently immense. The famous Pan-German line from the North Sea to the Persian Gulf was as utterly broken between Berlin and Constantinople as between the Bosporus and Bagdad. The Allies were advancing to the Danube. The Habsburg Monarchy, already crumbling within, lay open to attack. Austria-Hungary would be the next to crash. That fall would be the ruin and vanishing of an empire in a manner like nothing yet known in history.

THE CLIMAX IN THE WEST

While these vast events were resounding in the east, Foch, after the preliminary battles, had completed his grand plan, and the final battles had begun to thunder round the whole German front from Flanders to Verdun

along a range of more than 200 miles. His ambition, it will be remembered, was to break the enemy on both wings, and especially on the side of the Meuse, where a tolerably rapid advance towards Sedan and Mézières would thrust in between the mass of the invaders and Germany, jeopardising their means of retreat. The Meuse was to be the main line of victory. The Germans were to be "taken in a sack," and the American armies marching towards Sedan — a wonderful conjuncture of ideas — were to take a chief part in seizing the strings of the sack and drawing them tight. In this spacious conception Foch proved too visionary, for against it Ludendorff and his armies, with all the advantage of the ground, proved too tough.

The last act of the World War was opened on the night of September 25, by the American guns in the Argonne. Next morning, Pershing's army with Gouraud's on its left crossed the parapets. The joint attack stretched 40 miles wide across a line ranging from near Reims to the Meuse below Verdun. The Americans had been cast for the hardest task in the whole war-theatre, though they were the newest levies. Fighting with dash and grip, their first separate success was a splendid victory. By the evening of the second day they had carried Montfaucon, that commanding height of the whole area from which the enemy had overlooked the agony of Verdun; they had gone beyond it; and they had taken 10,000 prisoners. For the Germans it was life and death to keep themselves solidly buttressed on this side, and for all the risk elsewhere they brought up reinforcements and stopped the breach. The Americans for their part were clogged by the state of the ground, and their communications were choked. For an interval, supply was paralysed. They had struck a great blow in the war, they had fixed enemy forces which would have been available elsewhere. Thus they had aided the advance of other Allied armies; but the Argonne was a hopeless country for the purposes of Foch's main plan.

Meanwhile, Gouraud on the American left was carrying line after line of the frowning positions eastward of Reims where for years, with every resource of fortification, the enemy had defied attack. Gouraud in five days took 13,000 prisoners and 300 guns. Now the French Fifth Army had its chance round Reims itself, and on the last day of September — the day of the Bulgarian surrender — it struck hard northward towards the Aisne. From the beginning of October, Ludendorff was standing fast at any cost to cover his gateposts in Flanders and the Argonne; and slowly, ably, he was drawing in his southern lines on the Franco-American side. Now, he was hurried into wider and deeper withdrawal by the collapse of his prepared defences where he thought them strongest.

For on the other side, Haig's armies since the last days of September had been achieving their strongest exploits and, battering through the Hindenburg system, they were threatening the very heart of the German defence. The three British armies included an American corps, and linked with this powerful group was a French army under Debeney. There was yet no facile success on any sector. The Germans for the most part remained worthy of any steel. Even at the beginning of October, the last month of decision, the war was still a grapple of giants. Haig's forces were confronted by a task perhaps the most formidable of its kind known in war. Much of the Hindenburg system of resistance was covered by water-lines long and broad and deep like the Canal du Nord and the Scheldt Canal, while behind these huge fosses — to use the mediæval term — there was a belt from four to six miles deep, elaborately furnished, above ground and below, with every defensive device that labour and ingenuity could contrive. Ludendorff thought that winter would give him breathing-time before such positions could be taken. In twelve days from the opening of this massive and dexterous assault, the

thing was done. By swimming, bridging, turning, with feats as astonishing as anything in the war, the canals were carried and the Hindenburg system beyond was mastered in its entirety. St. Quentin was recovered on October 1. Cambrai fell on the 8th. On that day the remaining German defences in this zone disappeared; and Haig's armies were entering open country.

Foch's crushing machinery was in reciprocal action southward. The enemy was between the upper and nether millstones, grinding like the mills of God, the invaders of France and Belgium. Pershing through these early days of October, if as yet moving slowly was grinding hard. On his left Gouraud strode across the Aisne river some 20 miles north of Reims. On every sector the Allied armies in this climax of combined action were fairly closing in. Seawards, King Albert at the head of Belgian, French and British forces was returning in victory over old fields of defeat. For the Belgians, as for the Serbs, the road was homewards.

For the whole German army October 10 opened seven days of disaster. The St. Gobain *massif* which so long had been a Gibraltar of their front was lost. Mangin entered Laon and the *Te Deum* for its deliverance was sung in the cathedral on the rock. On the enemy side October 17 was the blackest day yet, as for the Allies the best. While they entered the great city of Lille to the delirious joy of its inhabitants, and were about to take Bruges in their grasp, the British navy found Ostend deserted. The Germans drank a bitter draught when they retreated from the whole Belgian coast and abandoned its submarine bases. Hopeless, weary, with battalions reduced to the rags of what they had been, still the Germans fought stubbornly and thwarted the most vivid expectations of the Allies. But their plight was becoming like the old Jacobite cadence: "Now all is done that men can do and all is done in vain." The death-wound had been felt. Retreating everywhere, the enemy by the third week of October was thrown back to that rear-line of prepared positions whereon the German Higher Command still proposed to fight the Allies to a standstill if first negotiations failed. The new front, so far as it ran for over 100 miles from north to south from near Ghent to near Laon, covering the former of those renowned cities but at last relinquishing the latter, was called the "Hermann line." Swerving then south-eastward from near Laon to the indispensable pivot facing the Americans on the Meuse, the defensive barrier was called the "Hunding-Brunhild line."

NEGOTIATION — WILSON AND POTSDAM

Nearly three weeks before this the first negotiations had been opened, and we must pause to follow them before we come to final events in the field. Diplomatic effort had been urged with belated insistence by Hindenburg and Ludendorff themselves. Competent to the end of their military profession they were like children on the political side. "At six o'clock on the afternoon of September 28," writes Ludendorff, "I went down to the Field-Marshal's room which was one floor below mine. I explained to him my views as to a peace offer and a request for an armistice. The Field-Marshal listened with emotion. He answered that he had intended to say the same to me. . . . The Field-Marshal and I parted with a firm handshake, like men who have buried their dearest hopes." Yet these jack-boot leaders of junkerism were political babes in the wood. They still meant to use the United States to save Hohenzollern militarism. Armistice conditions would have to permit "the resumption of hostilities on our own borders." The German Emperor came to Spa. Long since reduced to in-

significance, in this emergency he was inert and without counsel, revealed himself in his adversity as the weak person some shrewd observers had always thought him. Nearly 30 years had passed since Bismarck and Moltke had formed their inward opinion of "the young master." This September 29, a real parliamentary *régime* was proclaimed — "responsible government" on the British and American model. The military truth had to be told to the German nation. The task was entrusted to Ludendorff's acolyte, Baron von der Bussche. On October 2 he addressed the leaders of the Reichstag. Carefully instructed by the Higher Command he declared, "We cannot win the war . . . each new day brings the enemy nearer to his goal. . . . While the peace offer is being made, you at home must show a firm front to prove that you have the unbreakable will to continue the fight if the enemy refuse us peace or offer only humiliating conditions." At this, German public opinion was sunk in despair. The confession of inevitable defeat by Great Headquarters was shattering; the appeal for a contingent fight to the last was unconvincing and disregarded. Faith was dead. Germany felt that no great people had ever been so irretrievably deluded by its military leaders.

On October 5, the first supplication to President Wilson was dispatched. The President's reply demanded the unconditional evacuation of all invaded territory. Germany's second note agreed to evacuation under conditions that, in accordance with Hindenburg's and Ludendorff's proviso, would leave to the militarist leaders the possibility of renewing hostilities. Mr. Wilson's second answer received at Berlin in mid-October destroyed these easy calculations. It made the final and crushing declaration: "No arrangement can be accepted by the United States which does not provide absolutely satisfactory safeguards and guarantees of the maintenance of the present military supremacy of the armies of the United States and of the Allies in the field." This was in the military sense, as the Higher Command knew, the stark demand for unconditional surrender. The critical Council was held on October 17 in Berlin, Ludendorff being present. His advice was for continuing the war at all costs. The sustained vigour of his career was manifest, but its wisdom from beginning to end was not so clear. His egotism and patriotism were too obviously mingled. His plea for a fight to the last, rather than unconditional surrender, was perhaps sound in German interests; but the Kaiser was a cipher, and civilian faith in Hohenzollern tradition was destroyed. Under Prince Max of Baden, the new Government in Berlin, staking too much on the presumptive idealism of President Wilson, refused to throw the helve after the hatchet, and on October 20 indicated to Washington its tendency to capitulation. On October 23, the President of the United States demanded in effect not only the absolute capitulation of Germany's fighting forces, but the dethronement of the Hohenzollern dynasty and the abolition of the Prussian war-system.

THE LAST ACT — THE HABSBURG CATASTROPHE

The fighting raged ceaselessly, and it passed into a last phase. On October 19 Foch issued his final orders. The next combined battles were to throw the enemy out of Brussels and across the Meuse into the Ardennes, and he further felt strong enough for an offensive through Lorraine, cutting German communications with Metz, which would be glorious for France and give the enemy the *coup de grace*. All along the front that enemy, despite his condition, resisted desperately for still another fortnight. For the Allies, successes of the more facile order and on the grander scale were as

little to be gained as before, but every day made surer than before their grim triumph in the war of exhaustion. On October 26 Ludendorff was dismissed for trying to excite the army against Wilson's terms of peace. The new German front was battered away like the former. No need now to multiply details. The movement of fate had become broad and intelligible. Let us glance at its course from north to south, up to the decisive day of November 5. King Albert's armies, after hard slow days, were near Ghent, the heart of Flanders, and with their cavalry at their head were driving the invaders. Haig's armies, after obstinate battles round Valenciennes, had taken that key-position, forced the whole long line before them, and, in broad advance down the Sambre towards Mons, they were soon throwing the enemy across the frontier itself and out of France. The French armies, also near their frontier, were thrusting towards the vital railway junctions of Hirson and Mézières. All French territory was cleared of the enemy except a little rough strip along the Ardennes and the Briey corner. There the Americans came in. On the Meuse they were fairly out of the toils. They had done immense work building new roads and railways to supplement the miserable communications which had fettered them. In the first days of November Pershing's men were going forward by leagues; holding on both banks a long stretch of the Meuse, they were ready to strike towards Sedan. Thus by about November 5, the Hermann-Hunding-Brunhild line, taken or turned everywhere, had vanished like the old Hindenburg system. By that night the German armies on a front over 120 miles wide were in full retreat, but though retreating for life, there was no rout. They never dissolved into a rabble-flight.

It was far otherwise with their companion empire. During these indescribable days, Austria-Hungary as known for centuries had disappeared as in a moment from the face of the earth and was no more seen. Not only the Habsburg armies but the Habsburg Monarchy had been swept away and engulfed in a catastrophe like nothing in the history of the world. Since Caporetto, a new Italy had arisen. Diaz had been building up his army to strike again. With him were three British divisions and two French. The Czechoslovaks added a division of revolt against Austria; and there was an American regiment. Seven-eighths of the whole army, however, was Italian. On October 23 the battle had begun on the Piave. After a week's fighting, the Italian army had swept far forward on the side of the Venetian Alps. The enemy was in full retreat. The pursuers were assured of great victory, but nothing had yet prepared them for what they were to achieve. On the last day of October the retreat, losing all cohesion amongst the mountain valleys, and between the successive streams, changed to a wild, unimaginable nightmare of panic, mutiny, flight, and surrender. Guns and material, stores and dépôts were abandoned. When the strange work of pursuit and collection was finished, the Italians found that they had taken 450,000 prisoners and 7,000 guns. They had avenged Caporetto over and over again by such a stupendous spectacular triumph as the western Allies were not to know.

GERMANY'S FINAL DISASTERS AND SURRENDER

Yet if the western conclusion was duller to sight and feeling — even an anti-climax in externals by comparison with the visions which had so long sustained the souls of men — it was to the eye of the mind a thing of mass and grandeur and historic moment far exceeding the vivid sweep of Vittorio Veneto and well proportioned to the scale and argument of the World War. What was now to come was the submission and surrender of that dominating

empire whereof Austria-Hungary had been but an appanage; and of that mighty army beside which the Habsburg and all other subordinate levies had been weak and dependent. Within the frontiers of Belgium and all along the northern frontier of France, the weary but conquering troops of the western Allies and their great Associate were on the eve of their reward. Through the three days of the enemy's retreat after November 5, they followed up hard. On the evening of the 6th, the American 1st Division, after its famous forced march of 38 miles in 30 hours, had reached Sedan. Gouraud was only half a dozen miles from the same point. Northward for 100 miles to Ghent, where the German pivot still stood fast, all the other armies crushed onward and for the most part slowly. The enemy's resistance stiffened again at the more defensible points. After losing prisoners in masses, harassed by the Allies' flying squadrons hawking above in undisputed mastery of the air, in spite of the mud and congestion of their routes, the disorganisation of supply, and messages of despair from home; under the clouds of November and amidst its rain and winds, the Germans arrested their general retreat and by November 9 again held a continuous front. They could not hope to keep it long. They were lost. Forlorn, and with less than their former discipline, their ranks were full of indomitable soldiership.

The negotiations for the Armistice had begun, but let us complete in a few words the military narrative. Through the cold and mist of the last 24 hours from the morning of Sunday, November 10, the Allied armies were all urging their marches to get as far as possible before the very end. On that last Sabbath of German military power, the Belgians won back their beloved Ghent. At night the British were round Mons where they had begun to fight four and a half long years before, and they delivered it next morning. At dawn the French had occupied Rocroi, a name like a star in their military tradition. The American armies were extending their grip on the Meuse, and stirring up to the last minute. A restless lassitude was stealing over the rest, more subdued by tiredness and memory. At eleven o'clock on the eleventh day of the eleventh month of 1918 firing ceased on both sides, and far and wide a silence more strange, more significant than ever yet had hushed human sense, stilled the clamour of the guns and the tumults of men. When that final quietness fell on the western battlefields, it meant that the entire fighting system of a great and misled people, whose worship of force and ability in arms had raised military power to a height of ascendency never equalled by a single nation, had been annihilated by the terms of formal surrender.

END OF THE WORLD WAR — THE ARMISTICE AND THE FUTURE

For the understanding of subsequent events up to the present day, and even the problems of the future, it is important to go back a little in order to follow the preliminaries of peace. The American President had made it clear to Berlin that the only Armistice Germany could expect would be one that put it out of her power to renew the war. Next, Ludendorff fell because of his immediate appeal to the army against total military surrender. On his dismissal by William II, he said that "in a fortnight there would no longer be an Emperor." The German Government consented to abandon the submarine campaign. Accordingly, when the High Sea Fleet was ordered out in the next few days it mutinied, and the very battleship called the "Kaiser" hoisted the red flag. Kiel started the revolution. It spread from the German seaports through the industrial towns where Socialism had always been strongest. On November 5 Berlin received

the American President's decisive message. The Allies reserved their judgment with regard to what "the freedom of the seas" might mean, but accepted the rest of the Fourteen Points; and the Allies further insisted that for all damage during the war to their civilian populations, Germany must pay. That Berlin must treat on this basis, was Washington's last word. On the separate business of terms for Germany's fighting forces, Marshal Foch was ready to receive accredited representatives of the German Government.

On the night of November 7, Foch received Berlin's appeal for a parley, and consented. Next morning the German delegates were passed through the French lines. Foch received them in his railway train standing in the midst of the wide forest between Compiègne and Soissons. When they began by assuming that there would be some discussion of terms, the generalissimo at once made them sensible of their position. They were there solely to hear their sentence if indeed they wished immediate peace. Foch was laconic and imperious. It was his moment. The invaders must consent to military annihilation by total surrender with regard to weapons and transport, with a provisional surrender of territory giving the Allies an absolute command of the Rhine. These terms could not be varied by one iota. They must be taken or left by eleven o'clock on Monday morning, the eleventh. Crushed with dismay, on this black Friday of their nation, the Germans begged permission to consult Berlin. There on Sunday an agonised conference was held, and they bowed to fate. Next day the Germans signed at five o'clock in the morning. Six hours afterwards the war ceased as we have seen.

The terms of capitulation were as ensuing: Within two weeks the Germans must quit all occupied territory and restore Alsace-Lorraine. They must surrender 5,000 cannons, 30,000 machine-guns, 3,000 mortars, 2,000 aeroplanes. Further within 30 days they must submit to Allied occupation of all Germany on the left bank of the Rhine, and to Allied military command on the other side. They must give up 5,000 locomotives, 150,000 wagons, 5,000 lorries. Within two weeks they must hand over 160 submarines. Within one week they must yield their High Sea Fleet to be interned. They must retire from all their conquests in the east as in the west. They must pay by unprecedented indemnities for the unexampled destruction they had wrought in their day of strength. It was an overwhelming retribution but so far it was just. Had Prussian militarism triumphed, its terms would have been more merciless. The Fourteen Points and the supplementary principles, proclaimed by the American President, were terms promised to the German nation. They had little to do with the Armistice conditions devised to destroy the German war-machines. For profound effect upon the heart and memory of mankind, it would have been better for the Allies and their Associate to pursue the war for a few months longer until the German armies were shattered on the field, to advance into the heart of Germany, and to frame in Berlin itself a wiser and more moderate peace. That would have meant a more decisive American predominance in power and settlement. In moral effect upon the mind of the German majority, the *dénouement* was unsatisfactory. Their armies marched back with bands playing, and colours flying from the invaded parts of France and Belgium. Germany had inflicted the worst consequences of invasion, and was but mildly to suffer it. To her people as a whole the sense of real defeat was not adequately brought home, and they hoped to evade its consequences. Some indelible impress which ought to have been left on the conscience and imagination of mankind as a whole, was lacking. But the European Allies, by the logic of the war of exhaustion, were nearly as exhausted as the vanquished and in some respects more so. For France no occasion could have been more favourable than that of the Armistice, and

none could have been more ably or better used. On the morning of Armistice Day the guns were silenced, but in the afternoon the bells of every church in France rang out and every belfry left standing in the devastated departments chimed in. Henceforth the Allies, after all their sagacious virtue in long adversities, would be in most danger of intoxication by the wine of triumph.



CHAPTER III

HISTORY OF OUR OWN TIMES—*Continued*

By J. L. Garvin

Peace Without Settlement

AFTER THE WAR: RUIN AND TRANSFORMATION

In truth, if the closing shock of the war had already thrown down the old historic order over a large region of Europe, its next political consequences were like the tidal wave which sometimes follows earthquake to engulf the ruins. Empires, dynasties, ascendencies, which had seemed to stand firm as the hills, vanished like dissolving views in the last wild weeks of 1918. A few months before, the Tsar, the Tsaritsa, their children, and their few faithful attendants, had been taken into a back room where in the night they were all murdered together by Bolshevist revolvers. Now the Hohenzollerns and the Habsburgs, after all their centuries, were dethroned and gone like the Romanovs, though by a less fearful fate. Austria-Hungary had broken up into fragments, but with unfixed frontiers the separate national states were still seething amongst themselves. There was no longer a Kaiser in Germany. William II had abdicated; but no touch of tragedy or great demeanour dignified his fall, and with entire commonplace he sought refuge in Holland. The revolution in Berlin triumphed in a day, and at first looked like an unpromising mixture of theatricality and Bolshevism. The *bourgeoisie*, unused under the Hohenzollern system to individual initiative, was helpless. The steady Socialist leader, Ebert, became head of the State, and, in effect, the German Republic had been established. Whether it would go the way of Russia in a next revolution was still the question. The Russian anarchy reached to the shores of the Pacific Ocean. And still we must extend our view to conceive the picture of the world. In China, since the death of Yuan Shih-k'ai, the novel watchwords of liberty and republicanism had become the recipes for bankruptcy, disintegration, civil war and chaos. India, agitated by new dreams, would fall into the same plight or worse, if the great British plan of gradual and orderly transition towards cohesive self-government were to be jeopardised by extremist demands. Everywhere, European democracies with the Socialist and Labour parties were heaving with unrest and threatening industrial dislocation, unless visions were fulfilled which the condition of the world after the war made it impossible to satisfy. Ireland notably, with the exception of a small but solid corner in Protestant Ulster, was moving rapidly towards full revolution. In continental Europe, the rise of many new nations from the ruins of the old ascendencies, redeemed the general confusion by a promise of creative romance. The resurrection of Poland was the miracle of Lazarus.

These brighter suggestions were minor traits. Amongst victors and vanquished alike, the World War, in less than five years, had wrought more ravage and destruction than had been caused by all the previous wars of

Europe for a thousand. The desolation of human hearts and homes was a tale of sorrows beyond compute. Many millions of men had perished in the struggle. More millions of survivors were maimed. Amongst yet more millions of the civilian populations, hardships and disease had either extinguished existence or sapped body and soul. The children of many countries were an enfeebled generation, saddened before their time, and growing up in an untrustful mood which has yet to set its mark upon the future. With the spread of death we must note the prevention of life. In Germany alone the mortality from battle and blockade together was estimated at 2,500,000 souls. But owing to the separation of the sexes when the men went to fight, the deficiency of births, through the war and after, was at least 3,500,000. The human mind can no more realise the extent of death and pain and loss resulting directly and indirectly from the World War, than it can attain to any real imaginative grasp of astronomical figures.

As for economics, nearly all Europe was wrecked by the war of exhaustion. In this field there could be no victory for the victors. There, "peace without victory" — to adapt the Wilsonian phrase which wounded the Allies in their hours of darkest adversity and most settled resolution — was in fact their comfortless portion. France had her devastated departments. The livelihood of industrial and maritime Britain was more fundamentally attacked by impoverishment and dislocation throughout the world markets. Even that strong island which had risked financial and commercial ruin to win the war, was left with crushing taxation and restricted trade.

In continental Europe, but especially in the centre and the east, machinery was largely worn out by war-production; owing to the shortage of rolling-stock even more than the state of the tracks, the conditions of transport were worse in Europe than had been known since railways were introduced; everywhere the agricultural yield of the earth was diminished for want of labour and nourishment of the soil. For years before the war the growth of consuming cities throughout the world had outstripped the production of its harvest-fields. Now, in continental Europe, that disparity was stark as never before. The food-shortage might be the asset of Bolshevism. The armies were coming home. How was peace-employment to be found again for them in the more industrial countries of Europe? The nations that lived mainly by the soil were relatively safe. Was the whole development of the industrial countries of Europe throughout the machine-age a gigantic mistake? The former economic interdependence of the nations of the world, their unconscious promotion of universal prosperity by mutual service, had come to chaos. These were the contrasting conditions of dull human misery, economic disablement and violent political upheaval amongst mankind in Europe, between the end of the war and the assembly of the Peace Conference which was expected to bring order out of chaos.

PRESIDENT WILSON AND AMERICA — EUROPE EXPECTS THE NEW MESSIAH — THE SHADOW BEHIND HIM

America was more dominant than any nation in modern times had ever been by comparison with the rest. Her President was expected to be the real arbiter of the world and chief architect, not only of a moderate and reconciling peace, but of the federation of the world. These were still days when on both sides of the Atlantic the old men saw visions and the young men dreamed dreams. All former wars in history had prepared new wars. After Armageddon, with its vast shambles and immeasurable woe, it seemed impossible that the nations, with the United States at their head, would fail

to devise and construct such a new world-polity as by its consultative, its judicial institutions, and the reserved strength of the overwhelming majority of its members, might substitute peaceful processes of enquiry and award for the ancient arbitrament of war. As advocate of this supreme conception the President of the United States stood out. Morally, at the close of the war he was the President not only of the United States — but of the vast mass of suffering and longing mankind. Mr. Wilson at that hour was conspicuous above all other men. By comparison, Lloyd George, Clemenceau, Foch, seemed of minor account. The vanquished nations looked to Mr. Wilson with credulous hope, and the Allies in Europe expected his advent with more than a little dread. Europe in general was innocent respecting knowledge of the inwardness of American politics. It assumed, as a matter of course, that any American President appearing in Europe must represent the mind and might of the American people. Mr. Wilson, a master of general principles and verbal proclamation, had shown himself possessed of more potent qualities than these. A thorough war-leader when once in it, he had mobilised America with all the tremendous executive strength latent in the presidential office. Assured, despite all his faults, of a high place for ever in world-history, he was far below Washington and Lincoln in sagacious procedure, grasp of detail, and, as Elihu Root remarked, in human persuasiveness. A lofty and noble idealist in international affairs, he was in domestic politics an inexorable party leader.

For the world outside the United States during that apocalyptic year of 1918, Mr. Wilson was above all the man of the Fourteen Points. They were thought to be America's Points. They were not of equal moral value, or equally adaptable to practice. Yet the majority of mankind believed that, somewhat reduced, they might furnish enough to form what may be called a working Decalogue for the better ordering of international affairs. He had demanded the new system of justice and security in his epoch-making speech of January 8. His ideas may be shortly stated. They fell into distinct groups. He demanded: (I) abolition of secret diplomacy and secret treaties; (II), freedom of the seas in war as in peace; (III), the largest practicable extension of free trade; (IV), reduction of national armaments "to the lowest point consistent with domestic safety"; (V), an unselfish adjustment of all colonial claims and with special regard to the interests of the native populations. The next group (VI–XIII), demanded good-will towards Russia and the evacuation of its territories; the absolute freedom of Belgium; the restoration to France of Alsace-Lorraine; the completion of Italian union by addition of the Italian-speaking provinces under Habsburg rule; self-government for all the peoples of Austria-Hungary "whose place among the nations we wish to see safeguarded and assured"; liberty for the Balkan States, and especially free access to the sea for Serbia; an Ottoman Empire confined to its Turkish portions, the Dardanelles to be permanently opened; the independence of Poland, composed of "indisputably Polish-speaking populations," and with free access to the sea. The final Point (XIV) demanded "a general association of nations."

There was here matter enough for interminable argument and differences of interpretation. Some of the conditions were impossible to reconcile with others. There was no real apprehension here of the facts concerning Europe and Asiatic Turkey, of their endless complications — geographical and economic, as well as historical and racial. Not one of the Allies, after their fearful sacrifices, not one of the new nations rising like Poland from the dead; proposed to be content with what Mr. Wilson contemplated for them. He would have to reckon not with European Governments, but with their peoples. Nowhere in this tangle could rigid principle cut like a knife to

make clean and sound solutions. The races themselves were too intermixed. Nothing but wise compromises based on thorough knowledge could bring a resettlement both stable as a practical basis for future peace and in itself approximately just. France under Clemenceau and Foch looked for much more than the return of Alsace-Lorraine. Italy wanted much more in the Adriatic than the full reunion of her own race could give her. As for "the freedom of the seas," Britain thought that at a staggering price she had saved it. The weakening of her maritime arm in war would give every kind of unfair advantage to militarism on land.

All these difficulties, however, might have worked out to better issues, but that Mr. Wilson's power at its height received a fatal and self-inflicted blow. In his war-management, the President had included some eminent Republicans. In the Congressional elections of November, 1918, he appealed as a strict party man against the Republicans, bitterly alienating at the least nearly half America — it might even prove more than half. The United States was politically split from top to bottom. Mr. Wilson's action would have been impossible in Europe, where national Governments had been formed and party-method was for the time superseded. When the President himself decided to go to Europe without equipping himself with the assistance of eminent Republican leaders, he had ceased unhappily to be the assured spokesman of a solid America. But it was long before Europe realised this. In France, in Britain, in Italy, he was received with boundless enthusiasm like a political Messiah, and his progress from nation to nation was a personal triumph such as no mortal had known before. At the same time Mr. Lloyd George had made his own equivalent mistake. In his disastrous British elections he had excited visions of immeasurable indemnities, and it must be remembered that serious financiers shared his error. The French people under M. Clemenceau and Marshal Foch were bent on trenchant retribution and drastic precautions, as well as on immense monetary compensation. In those strange weeks of imaginative tumult and vengeful emotion, when release from the tension of the war borne with heroic stoicism had come at last, there was fever in the blood of all the Allied peoples and emancipated nations. There was a madness in the air. The World War had been an unexampled tragedy of its kind. Its moral sequel was to be another.

THE PARIS CONFERENCE — THE TRAGEDY OF THE PEACE BEGINS

In these circumstances the Peace Conference met at Paris, and under the Presidency of M. Georges Clemenceau, it was solemnly opened on January 18, 1919, at the Quai d'Orsay. Its main proceedings lasted five months, and the subsidiary proceedings were not finished in two years. No attempt can be made in these pages to describe the personalities of this extraordinary conclave, or to track them through the endless labyrinth of their dealings. Envoys of all known peoples crossed each other in a multi-coloured, polyglot medley; and for this large business of refashioning the world, politics were discussed in fashionable hotels as in the coffee-houses of the East. No other way was possible. Each leading statesman was accompanied by a swarm of experts. For dealing with the political, economic, and geographical details, the British delegation, for instance, was very powerful. The French were necessarily at more advantage than the rest because the Conference was held in their own capital and atmosphere; and the Paris press was of notable importance. Mr. Wilson relied less upon his able staff and more upon himself. In externals the three dominating figures were the American President, M. Clemenceau, and Mr. Lloyd George.

When they were agreed they were a ruling triumvirate. They were, however, three men in a hurry, desiring to get main things settled as soon as possible and to return to their domestic problems. Though representing a smaller country, M. Venizelos was a statesman fully equal to any of the Great Three, and he had a searching influence. Delegates of other small or new nations — Poland especially did not mean to rank amongst the small — worked with devoted persistency and skill.

The method of the Conference was unavoidably fatal to the first of the Fourteen Points, for the work could only be done by "secret diplomacy" of an unprecedented extent and intricacy. The Council of Four — when Italy participated with the United States, France, and Britain — was recognised as the chief organ of the Conference. No official report of its discussions was published. We only know its proceedings from the invaluable indiscretions published in many private memoirs. Vital issues were sometimes dealt with in private meetings apparently informal. In fact the Conference never met in plenary session except to register decisions already taken. In this way the enormous text of the Treaty of Versailles was worked out piece-meal and disconnectedly, item by item; and until the clauses were put together and all the defects, which had seemed small separately, were seen in accumulation, two at least of the chief statesmen who had made the Treaty did not know what it was like. They had not meant to do what they had done. This part of the tragedy was inherent in the magnitude and maze of their task, coupled with the fact that they had not sufficient time for a constructive work the greatest, most fateful of its kind ever attempted in the world; while also every statesman had been compelled to give up some principles or purpose to save others.

LEAGUE AND COVENANT — THE SPIRIT AND THE LETTER

Mr. Wilson played the part of a moral giant during the first weeks in the struggle for his greatest distinctive principle before he became lost in the jungle of Old World circumstances, where he required a much deeper and more discriminating knowledge than he possessed. He insisted that the creation of the League of Nations must come first, and that it must be established as an integral part of the whole Treaty, not by a separate instrument. The struggle opened before the Conference met and was an intense drama in itself. The American President knew well that if he did not force the acceptance of the League at the outset he would never get it. The British believed with him, that western civilisation must perish if a supreme attempt were not made to abolish the old arbitrament of war and to replace it by a new peace system. The British alone were in full support of the President's principle and took the chief part in hammering out the plan; but even they, for the most part, were not convinced of the wisdom of giving instant priority to the creation of the League. All distracted Europe was impatient to grapple with its immediate affairs. M. Clemenceau, a master of the older realism, was not in love with the new vision, and thought like France in general, that lasting peace would be more efficiently secured if Germany were so dealt with as to be harmless for the future. President Wilson had his way, and in the Hotel Crillon the League of Nations, after heavy travail, came to birth. The draft Covenant was presented to the Conference in the famous plenary sitting of February 14. If the sequel went well, this adoption of a world constitution for the prevention of war and the peaceful regulation of disputes, might be the highest political achievement that civilisation had yet known. The

idea went back for centuries. It never had an abler advocate than William Penn, when more than two centuries earlier he hoped to make Pennsylvania a model for mankind. Now, an American President seemed to have wrought the miracle, realising in fact the dream of ages.

In its final form the Covenant consisted of 26 articles. The members of the League swore not indeed to abjure war unconditionally — and this was a flaw — but at least to subject all disputes in the first case to peaceful intervention and delay. They engaged to reduce "national armaments to the lowest point consistent with national safety," and "they pledged themselves to the enforcement by common action of international obligations." Any member or members of the League resorting to war-like action in the first instance, or refusing after arbitration to accept the award peacefully, would be immediately subjected by the rest "to the severance of all trade or financial relations," and afterwards at need to armed compulsion. By Article X, afterwards the centre of political conflict in the United States, the associated nations mutually guaranteed the integrity of their territories. An International Labour Office was to promote more humane industrial conditions throughout the world. The governing bodies of the League were to be as follows. First, a small Council controlled by the chief Powers and embodying the directing brain and will of the League; secondly, a larger debating Assembly including representatives of all the associated nations; thirdly, a permanent Secretariat. All this would involve an elaborate organisation of administrative offices, and therefore a fixed seat or capital for the new world-system. That capital was to be Geneva. Finally a permanent Court of Justice, competent to hear and determine international disputes, would be established.

From a practical point of view, some of these articles were open to criticism. The whole was evidently capable of improvement. It was the work, and largely the hasty work, of human hands. The Covenant ought never to have been regarded by anyone as a sacred ordinance almost divinely inspired from which nothing could be taken and to which nothing need be added. Some articles were not adequate for the establishment of lasting peace. Others not fully relevant to that main purpose, though excellent in themselves, were a weakness where simplicity and concentration were required. But the Covenant none the less was a magnificent conception. Unless returning wars and anarchies are surely to destroy civilisation, and especially white civilisation, the world in general must return to this supreme idea though with large structural modifications of the plan. President Wilson was to give up much indeed of what he had stood for, his limitations were to become more marked; but so far he was immortal in attempt, however unprosperous in personal fortunes, since the broad idealist in international affairs had become the narrower party-man in domestic politics and rent America.

The architecture of the League as thus drawn was majestic. The profound defects were in the foundations. Still more in the disastrous departure from the real moral inspiration of the project. The chief aim of the League as urged by its most whole-hearted advocates during the war, had been, above everything, the inclusion of all the belligerents, the reconciliation of victors and vanquished. This was the one essential. Now, both Germany and Russia were left out, and together they numbered 200,000,000 of white people. It was idle to think that the adhesion of China and Liberia could compensate, or that with such an omission, the basis of the League could be sufficiently broad and solid. Above all, the great gesture of reconciliation was lacking. Mr. Wilson, by not insisting at least upon the immediate inclusion of defeated Germany, had consented to lose the spiritual magic

required for the life of his idealism. He had created the formal mechanism of a League of Nations but he had not breathed into it that soul to which he and many had originally aspired. Now all depended upon the American people. If the United States adhered, all the defects in the initial system of the League might be remedied. If the United States withdrew, while Germany and Russia were excluded, then despite the Covenant, nothing would remain in substance but a half League devoid of the moral and practical authority required for the sound restoration of Europe and for the security of future peace.

THE VICTORS AND THE SPOILS — PENAL FINANCE — THE NEW FRANCE AND THE RHINE FRONTIER

The Paris Conference went on with its other work of assessing financial indemnities and redistributing amongst the Allies and the new nations large tracts of Europe and the further world. The barest summary of the results must suffice. As to the financial question, the general view was, of course, that Germany must pay to the last farthing for all the destruction she had wrought. But against the plain sense of the Armistice terms, which had required full compensation for all damage inflicted by Germany upon civilian interests, military pensions and allowances of the Allied countries were charged to Germany's account. In all this part of it, British statesmen were as culpable as the French. Their ideas of what Germany could pay, and therefore ought to pay, were still illimitable. The American President struggled alone in this matter. It would have been better had he disrupted the Conference rather than give way, but under the pressure brought to bear upon him, and consequently upon his paramount desire to save his League of Nations, he yielded. Germany's liability was loosely estimated at the incredible sum of over £11,000,000,000 or over 50,000,000,000 dollars. It was at least four times too much from the standpoint of practical possibility. On such terms, Germany in 100 years would not be free from colossal tribute; her unborn generations would be economic serfs. Many British as well as American experts protested in vain against the iniquity and fatuity of these proposals. The natural French desire was to extract the utmost that could possibly be obtained in the years immediately succeeding, yet to prevent final quittance, and to keep Germany in a state of financial subjection for time indefinite, dissolving its political unity if possible. Upon French imagination the destruction wrought with blind ruthlessness by German militarism in the invaded departments had made an overpowering impression. The vehemence of the French reaction in victory was human and intelligible. Mr. Lloyd George for other reasons was deeply committed to the wrong course. Nevertheless, it cannot be doubted that Mr. Wilson ought to have resisted at any cost and sternly asserted a moderating influence in the name of America. The indemnities demanded from Austria-Hungary and Bulgaria were equally impossible. The financial arrangements of the Paris treaties tended to destroy the very means of stable resettlement in Europe.

While the financial articles were so largely cloud-castles, the more concrete work of redistributing territory and fixing frontiers was on a scale unknown before the twentieth century. It is idle to blame, as is often done, the Secret Treaties which fettered the Allies before they came into court. The worst features of the settlement had nothing to do with Secret Treaties. The open appetites were the real force. All the great European Allies, and still more, the newly liberated peoples, meant to claim the

utmost in any case. The claims of France came first and they were of a character which dismayed the representatives of both the English-speaking Powers. They had not understood her position. She demanded ironclad securities for the future even more firmly than ample reparation for the past. In return for the grave, though temporary, destruction of her mines in the north, she claimed the Saar coal basin, a small but most valuable area next her frontier, inhabited by a purely German population. In the end, France acquired all the coal mines of the Saar as her entire and absolute property, and practically — though in the name of the League — the possession and Government of the district for at least 15 years. The acquisition was worth more than any German colony. This was realism of the old stamp, not reconciling idealism of a new order. It was repugnant to Mr. Wilson and by itself nearly led to a rupture. Alsace-Lorraine already regained by the Armistice, was, in industrial development and equipment, incomparably richer than when these provinces were lost in 1870. But also under the Armistice, Foch was already in full military command of the Rhine, and there he and France wished permanently to stay. They would not accept the League as sufficient security, but insisted that the whole Rhineland must be separated from the Reich and made into one or more buffer states. For this there were strong military arguments. But no moral arguments. It would mean inflicting on Germany a dismemberment ten times worse than was inflicted on France in 1870. The Triumvirate was consequently torn by a long and embittered struggle in which Mr. Wilson and Mr. Lloyd George were together against M. Clemenceau. After three months of tension, threatening a split, compromise was reached. The American President and the British Premier met the demand for security by promising France a joint military guarantee against all unprovoked aggression. Britain's consent to this liability was dependent on ratification by the United States. In any case, military occupation of the Rhineland and the line of its river was to run for at least 15 years. French control might be indefinitely prolonged, owing to the simultaneous imposition on Germany of financial obligations impossible to fulfil. For the future of peace, reconciliation, and disarmament in Europe, nothing could be less reassuring. Though the German people were to be totally disarmed, retaining only relatively insignificant forces for domestic security, France could only hold her position on the Rhine by remaining armed to the teeth. Her new Protectorate in Syria, however, realised a dream going back to the Crusades, and she was assured of extensions of territory in the tropical part of her immense colonial empire in Africa. Three years after Verdun, France had reached a result splendid beyond all imagination before the World War. She had emerged from it as once more, and past comparison, the dominant Power in Europe. By German disarmament she was relatively even stronger in a military sense than in the days of Louis XIV and Napoleon. Her debts were enormous, and her financial management unsound. Taxation was not severely faced and undertaken in the British way. Her chief danger was her declining birth-rate, which had more and more to be made good, on the military side, by bringing African levies to Europe.

THE COLONIAL LIQUIDATION — BRITAIN'S OUTLOOK

Long before, the entire colonial empire of Germany had been taken away in the World War itself, though Lettow-Vorbeck's long struggle in East Africa had been a shining feat of arms. A large part of these territories was divided between the British self-governing Dominions. These had played

a remarkable part in the war. Asserting — except Canada — little Monroe doctrines of their own, they each obtained such former German possessions as lay nearest. The South African Union was thus enlarged. Australia expanded in New Guinea. New Zealand was established in Samoa. The mother-country, Great Britain, whose combined naval, military and financial effort in the war had been prodigious, received German East Africa, next Kenya; Nauru island with its phosphates; mandates over Mesopotamia and Palestine. These gains looked broad on the map. Over the large additions to the Dominions, more than ever self-governing, Great Britain had no control whatever, either political or commercial. Mesopotamia was held in order to establish Arab self-government, and Palestine for the romantic but difficult purposes of Zionism. As reparation for the submarine campaign, Germany was to surrender her merchant ships; but while this replaced losses, it was in other ways a very temporary gain owing to the rapid German construction of new mercantile tonnage. Though the German navy was to be surrendered, British supremacy at sea could not be after the war what it had been for two centuries before. The great rise of the American fleet meant at least a permanent equality in naval power for all purposes of world-policy. The British preferred this rather than accept, formally, so disabling a doctrine as Mr. Wilson's original interpretation of "freedom of the seas." The world-markets, on which industrial Britain depended far more than any other country, were dislocated far and wide, while her load of taxation was unparallelled. For the moment the general organisation of the British Empire was somewhat relaxed rather than reinforced — it had become indeed within itself a League of Nations indefinitely associated — while the mother-country was weakened rather than strengthened by comparison with its European Allies. None the less, in material resources, patient vigour, and wise tradition, it was a very great nation; its instinctive faith in the future was unswerving; and it excelled in the commonplace virtue of being determined to pay its way.

NEW NATIONS — NEW ASCENDENCIES

Other main results of the Peace Conference must be more rapidly touched. Belgium received modest additions of Walloon-speaking districts taken from Germany, and emancipated from former restrictions imposed by her neutrality, she was free to enter practically into Alliance with France, whose policy towards Germany commanded the entire assent of the Belgian Government. Greater Italy, extended beyond her racial limits by annexing considerable numbers of Germans and Slavs, had secured the strongest of Alpine bulwarks instead of her former overlooked frontiers. On the Adriatic she not only included Trieste, but reached to Fiume. With this fell another of the Fourteen Points, and indeed more than one. Especially desiring that Fiume should be a free city and assured outlet for Yugoslavia and the countries behind it, President Wilson struggled hard against several Italian claims, and at last issued a public denunciation. The Italian delegates quitted the Conference for some days, and Mr. Wilson, so shortly after his triumphal reception in Rome, was now execrated by the Italians though hymned the more by the Croats and Serbs. In the ill-starred interval of Italian absence, the other allies allowed Greece to supplant Italian claim in Asia Minor, and Greece was thus encouraged into ruinous adventures starting from Smyrna as a base. Where the Habsburg Empire had vanished from the map, and in the neighbouring Balkan region, appeared new or greatly enlarged states — Czechoslovakia, Rumania, Yugoslavia, and the far-reaching

Greece of precarious configuration. None of these were homogeneous national states, but included large subject-minorities or other dissatisfied elements. As defeated countries, Austria, Hungary, and Bulgaria alike were diminished and restricted with merciless surgery. While these Christian ex-enemies were so dealt with, the Moslem ex-enemy had better fortune. As we shall see in the exciting sequel, the Turks escaped the intentions of the Conference.

Elsewhere Russia's former Baltic provinces became a series of independent states — Finland, Esthonia, Latvia, Lithuania. This had the ominous effect of thrusting the Russian people further away from their sea-outlets on the Baltic than for 200 years, since Peter the Great. But a problem far graver still was created by the character of the new Poland. It was restored not on racial principles as a genuinely national state, but on historic principles as an empire depending like the late Habsburg system upon ascendency over a mass of discordant minorities — Jews, Germans, Lithuanians, White Russians, Ruthenians, — amounting probably, though statistics are still imperfect, to much more than a third of the entire population of the new medley state. By such means, this Poland in numbers was brought up to about 28,000,000 of people; but its basis was rubble not solid. Although it broke through to the sea at Danzig so as to divide East Prussia, toughest of German provinces, from the rest of Germany; and although to the eastward it projected into wide territories naturally belonging to their Russian majorities, its future was certain to be threatened by this inordinate extension. The new Polish empire possessed all the weaknesses which in the eighteenth century brought about the downfall of the old Polish empire. It was soon to appear that no other nation whatever would be willing to guarantee these unjustified and hazardous frontiers; that these in the long run would have to be reduced if Poland proper were to stand safe. In all these arrangements, the interests of Russia were ignored and her consent dispensed with, though without the heaped sacrifices of the Russian people for three years, none of the revived and transformed states could have existed, because no sufficient victory for the Allies could have been won. This was a sardonic stroke of historic irony felt with equal bitterness by Russian Nationalists and Bolshevists alike.

THE CRUSHING OF GERMANY — VAIN STRUGGLES — LAST SCENE IN THE HALL OF MIRRORS

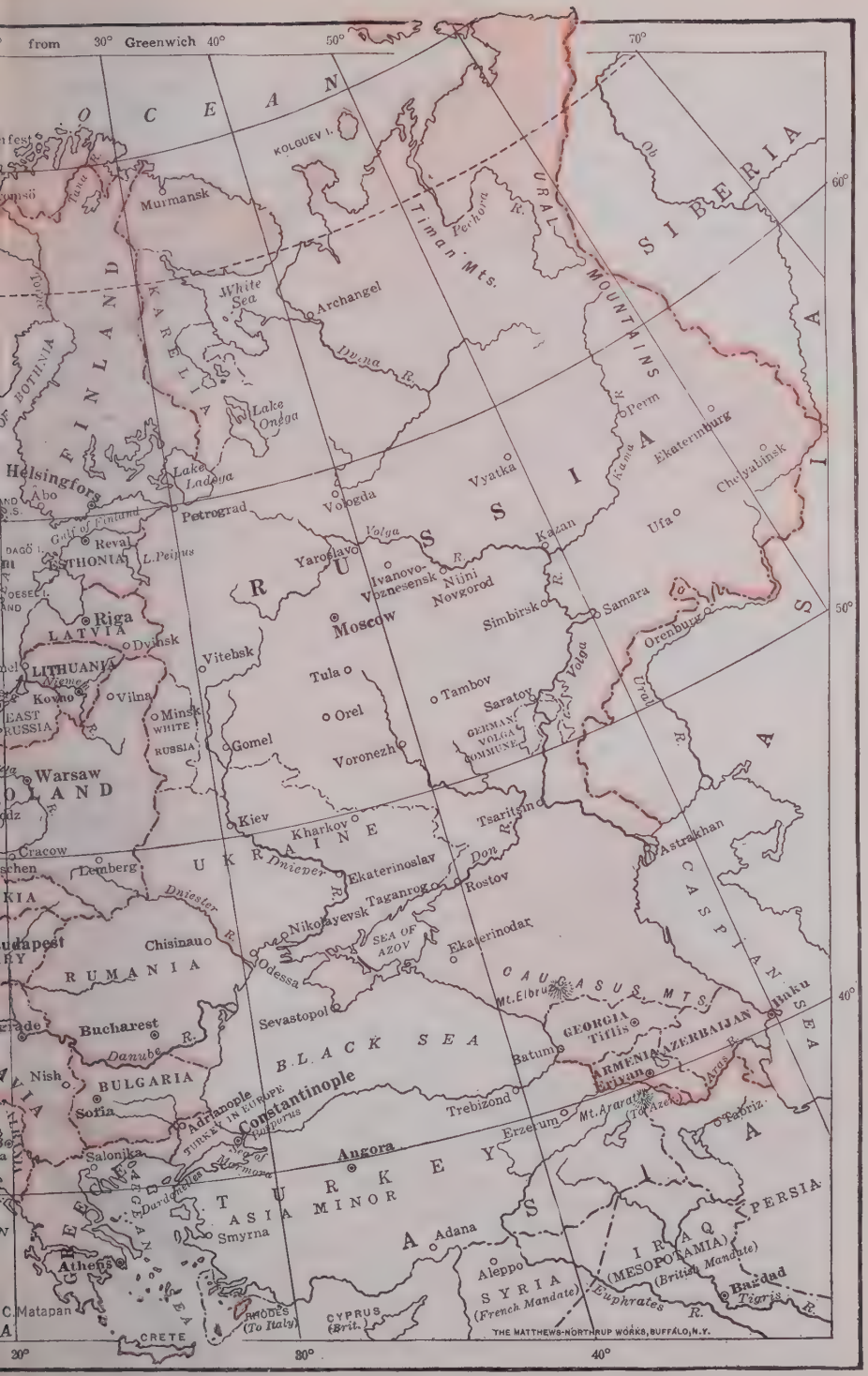
We must now return to the central problem, that of Germany, before we can sum up the results of the Peace Conference. The summed crimes of the former German war-lords, supported by the agricultural junkers, the industrial magnates, the belligerent professors, against the peoples they had assailed, were a nightmare of guilt. Had they won, they would have been worse than the Allies in ordaining dismemberment, political enslavement, and financial extortion. This must be remembered. Retribution was not visited on the persons and property of the guilty — those who were the hereditary servants and intelligent agents of the Hohenzollern war-system with its elaborate creed of force, cruelty, ruthless compulsion and pitiless suppression. These sins had resulted from an essentially despotic system; from a dynastic legend, saving in its origins, but blindly exalted in the twentieth century to a Byzantine superstition, obsolete yet infatuated. Again, these sins had resulted from that distortion of sound patriotism which made Germanic nationalism and racialism the exaggerated subjects of idolatrous worship; from the strange decline and enfeeblement of the critical vigour of moral thought, simultaneously with an intoxicating ascent in every

kind of material success and technical achievement. The mass of Germans, implicitly accepting after their general manner the system prepared for them — even Socialists, however vehement in theory, were for the most part docile in practice — were ticketed and obedient items from their birth, atoms of the hereditary, automatic system. Upon the non-responsible or semi-responsible mass of the German people there now fell a vengeance as when Rome dealt finally with Carthage.

The surrender of Alsace-Lorraine to France, North Schleswig to Denmark, most of Posen to the Poles, were just and inevitable penalties. But the Saar, with its coal-fields and purely German population, was gone as well as the Lorraine iron-fields. On the other side, in the mixed districts, Germans in masses were uniformly handed over to Polish rule without any kind of balancing inclusion of Poles in Germany or elsewhere. East and West Prussia were wrenched apart; and this, as a practical thing, was like driving a foreign wedge between New York and Pennsylvania. Upper Silesia, as a result of the Peace Conference, was to be torn away though historically and naturally it was to Germany what Alsace was to France; while industrially it was as important to Germany as Pennsylvania to the United States. Let us try to sum up. Politically Germany proper — apart from its abolished ascendency over the non-Germanic fringes wrongfully occupied — was mutilated on every side as none of the larger races, white, yellow, or brown, had been for generations. The French occupation of the Rhine was morally the same as a German occupation of the Seine. Economically, Germany's industrial and mineral resources were reduced in more drastic proportion than her proper racial territory was diminished. Commercially, her colonies and other overseas assets, as well as her merchant shipping, were swept away. Financially, the initial propositions of the Peace Conference would doom her to irredeemable serfdom for a century. Defensively, the country was laid prostrate, totally disarmed by land, sea, and air amongst weaponed neighbours. The army of what had been the greatest military nation ever known was annihilated; the fleet of what had been the second greatest naval power had ceased to exist; fighting aircraft were wholly suppressed in the country where Count Zeppelin's achievements in air-navigation a few years before had given more vivid colour to the fatal mirage of universal supremacy. On the part of the Allies it was in the total an Asiatic vengeance — a stultification and a mockery of all that President Wilson had proclaimed in the name of America; of all that the responsible statesmen of the European Allies had averred in the day of adversity; of all that wise and far-seeing minds throughout the world had urged during the war.

On May 7, 1919, the draft treaty was handed to the German delegates. Their chief, Count Brockdorff-Rantzau, made a bold and moving defence. Though "under no delusions as to the extent of our defeat and the degree of our helplessness," he and his colleagues made able criticisms while presenting elaborate counter-propositions. Their efforts were marred by a certain undertone of useless defiance, and by such stubborn fatuities as the request that the future of Alsace-Lorraine should be submitted to plebiscite and that the Allied armies on German territory should be withdrawn within six months. Nevertheless, there were now fresh dissensions amongst the Allied statesmen. Mr. Lloyd George became the chief spokesman for moderating the terms. He notably secured a plebiscite for Upper Silesia. Mr. Wilson at this supremely critical juncture did not stand out in the controversy and dominate it as his public declarations had led both high idealists and sagacious moderates in Europe to expect. They were dismayed. The President, however, like many others, believed that all the faults of the Treaty could


EUROPE
Showing Boundary Lines in 1924
Capitals
ENGLISH STATUTE MILES
KILOMETERS
ARCTIC OCEAN
ATLANTIC OCEAN
Arctic Circle
ICELAND
Reykjavik
FAROE IS.
SHETLAND IS.
ORKNEY IS.
HEBRIDES OR WESTERN IS.
LOFOTEN ISLANDS
Trondhjem
Bergen
Christiania
Christiansand
Skagerrak
Kattegat
Göteborg
Gävle
Upsala
SWEDEN
NORWAY
DENMARK
Copenhagen
Malmö
BRITISH ISLES
SCOTLAND
Glasgow
Belfast
Edinburgh
NORTH SEA
IRELAND
Dublin
Liverpool
IRISH FREE STATE
GREAT BRITAIN
Hull
Manchester
WALES
ENGLAND
London
Cape Clear
St. Georges Channel
Lands End
English Channel
CHANNEL IS. (Br.)
HELIGOLAND
Amsterdam
The Hague
Antwerp
Rotterdam
Hamburg
Bremen
Stettin
Berlin
GERMANY
Essen
Dusseldorf
Cologne
Leipzig
Dresden
Frankfort on Main
Prague
CZECHOS
Havre
Lille
BELGIUM
Brussels
Brest
Reims
Paris
Seine R.
Loire R.
Nantes
LORRAINE
Strasbourg
ALSACE
Rhine R.
Nuremberg
Munich
Vienna
AUSTRIA
BAY OF BISCAY
C. Finisterre
FRANCE
Berne
SWITZERLAND
Lyons
Rhone R.
Mt. Blanc
The Alps
Venice
Milan
Po R.
Genoa
Bordeaux
Oporto
Bilbao
Pyrenees
ANDORRA
MONACO
Gulf of Lions
Marseilles
Florence
Zara (It.)
ADRIATIC
SAN MARINO
Lisbon
Madrid
Barcelona
CORSICA (To France)
Rome
ITALY
SPAIN
C. St. Vincent
Cordoba
Valencia
SARDINIA (To Italy)
Naples
Mt. Vesuvius
TYRRHENIAN SEA
Cadiz
BALEARIC IS
Str. of Gibraltar
Tangier
Gibraltar
MEDITERRANEAN SEA
Messina
Palermo
SICILY
Etna
Fez
Algiers
ALGERIA
Tunis
TUNIS
MOROCCO
AFRICA
MALTA (Brit.)
30°
20°
10°
West 0° East
10°
60°
50°
40°
Longitude from Greenwich


from 30° Greenwich
40°
50°
70°
60°
50°
40°
30°
80°
40°
O C E A N
KOLGUEV I.
Murmansk
Petsamo R.
Timan Mts.
Pechora R.
URAL MOUNTAINS
Ob R.
SIBERIA
Archangel
White Sea
Dvina R.
Lake Onega
Perm
Ekaterinburg
Chelyabinsk
Ufa
Kama R.
Vyatka
Kazan
Volga R.
Yaroslavo
Ivanovo-Voznesensk
Nijni Novgorod
Moscow
Simbirsk
Samara
Orenburg
Ural R.
Caspian Volga
Tula
Tambov
Saratov
Orel
Voronezh
GERMAN VOLGA COMMUNE
Vitebsk
Gomel
Minsk
WHITE RUSSIA
Dvinsk
Riga
LATVIA
LITHUANIA
Kovno
Vilna
Warsaw
Kiev
Kharkov
Tsaritsin
Astrakhan
CASPIAN SEA
Cracow
Lemberg
Dniester R.
Dnieper R.
Don R.
Ekaterinoslav
Taganrog
Rostov
Nikolayevsk
SEA OF AZOV
Ekaterinodar
Chisinauo
Odessa
RUMANIA
Sevastopol
CAUCASUS MTS.
Mt. Elbrus
Bucharest
Danube R.
BLACK SEA
GEORGIA
Titlis
Batum
Baku
AZERBAIJAN
ARMENIA
Erivan
Aras R.
Nish
BULGARIA
Sofia
Constantinople
Adrianople
Trebizond
Erzerum
Mt. Ararat
Tabriz
Salonika
Angora
TURKEY IN ASIA MINOR
PERSIA
Smyrna
Adana
Aleppo
SYRIA (French Mandate)
IRAQ (MESOPOTAMIA) (British Mandate)
Euphrates R.
Bagdad
Tigris R.
Athens
CRETE
RHODES (To Italy)
CYPRUS (Brit.)
C. Matapan
THE MATTHEWS-NORTHRUP WORKS, BUFFALO, N.Y.

be gradually remedied through the League of Nations if America adhered to it. But above all, his physical and mental energies were no longer what they had been. The final arbiter of the war was to be the chief personal victim of the peace. Summoned to sign, the Germans struggled vainly in the toils. Nothing could mitigate their doom. They were still under the sea-blockade, and the regretted chance for a last fight at any risk under Hindenburg and Ludendorff was long gone. Count Brockdorff-Rantzau had resigned, but his place had to be filled, and the German delegates set their hands and seals to the Treaty of Versailles on June 28, 1919. The date was the anniversary of the Serajevo murders five years before. The place was that Hall of Mirrors at Versailles where, nearly 50 years before, the Hohenzollern Empire had been proclaimed. How often since, and with an arrogance how grandiose, had German court-painters depicted the scene of 1871 as an apotheosis of Germanic strength, shown tall and superior in physical type, firm-standing in jack-boots and splendid with military stars. Once more in history, but never perhaps with a grandeur so strange, almost so mysterious, the wheel of Fate had come full circle:

> "The gods alone remember everlastingly; they strike
> Remorselessly, and ever like for like:
> By their great memories the gods are known."

At each turn the gods allow vengeance; but they do not forgive it. The future of the world and its peoples, between 30 and 50 years hence, is not to be read; but it is certain that what the Germans forgot in 1871, the Allies did not remember at the end of June, 1919.

OTHER TREATIES AND PUNISHMENTS

A few days before, the Germans had suddenly sunk their warships assembled for surrender at Scapa Flow. It must be admitted that they were still contributing to the aggravation of their own tragedy, for they had given no convincing sign that it was safe to be tender to them. Subsidiary instruments can only receive passing mention. To complete them all and to secure acceptance required the rest of 1919 and the larger part of 1920 — when the interest of the general world had long been dulled or extinguished. The bargainers for what was left of the spoil, remained to settle details quite in the spirit, though not in the costume, of the bewigged, bepowdered, and beribboned, but likewise avaricious and acute old eighteenth-century diplomatists satirised by Carlyle. Even the professionals were wearied; public conscience was dead; in the end President Wilson's "Fourteen Points," his "Four Principles," his "Five Particulars" had about as much influence upon the territorial and financial settlements as the Sermon on the Mount and other detailed formulations of Christian ethics exercise upon average conduct. Morally, the peace of exhaustion had followed the war of exhaustion.

By the Treaty of St. Germain (September 10, 1919), Austria was diminished to the utmost, and her ancient Imperial metropolis, Vienna, was left like a giant's head on a dwarf's body. By the Treaty of Neuilly (November 27, 1919), Bulgaria was as inexorably disarmed and retrenched, deprived of large sections of her proper population and thrust away from the Aegean shores. By the Treaty of Trianon (June 4, 1920) Hungary, the proud kingdom of many centuries, was not only shorn of the subject-lands where tough Magyar minorities had wielded an oppressive ascendency, but elsewhere large numbers of one of the most distinctive of races were transferred, on strategical

and commercial principles, to alien rule. Finally by the Treaty of Sèvres (August 10, 1920) the Allies intended to treat the Turks, even in their Asiatic homeland, to a mutilation still more comprehensive; but this document by unlucky name and destiny was the "Porcelain Treaty," and what happened to it we shall presently see. All five treaties, fastened on the belligerents who had succumbed, carried to an extreme the ancient principle of "woe to the vanquished." None of them was superior in ethics, mercy, or wisdom to the compacts exacted by acquisitive statecraft after the older wars. None of them embodied President Wilson's original ideal of equal and disinterested justice as between victors and vanquished. It could be said with little exaggeration by bitter moralists that the Fourteen Points had become the Fourteen Disappointments; yet the tragedy was, that without the power of America, terms so lacerating, so ill-boding for the future, could not have been imposed.

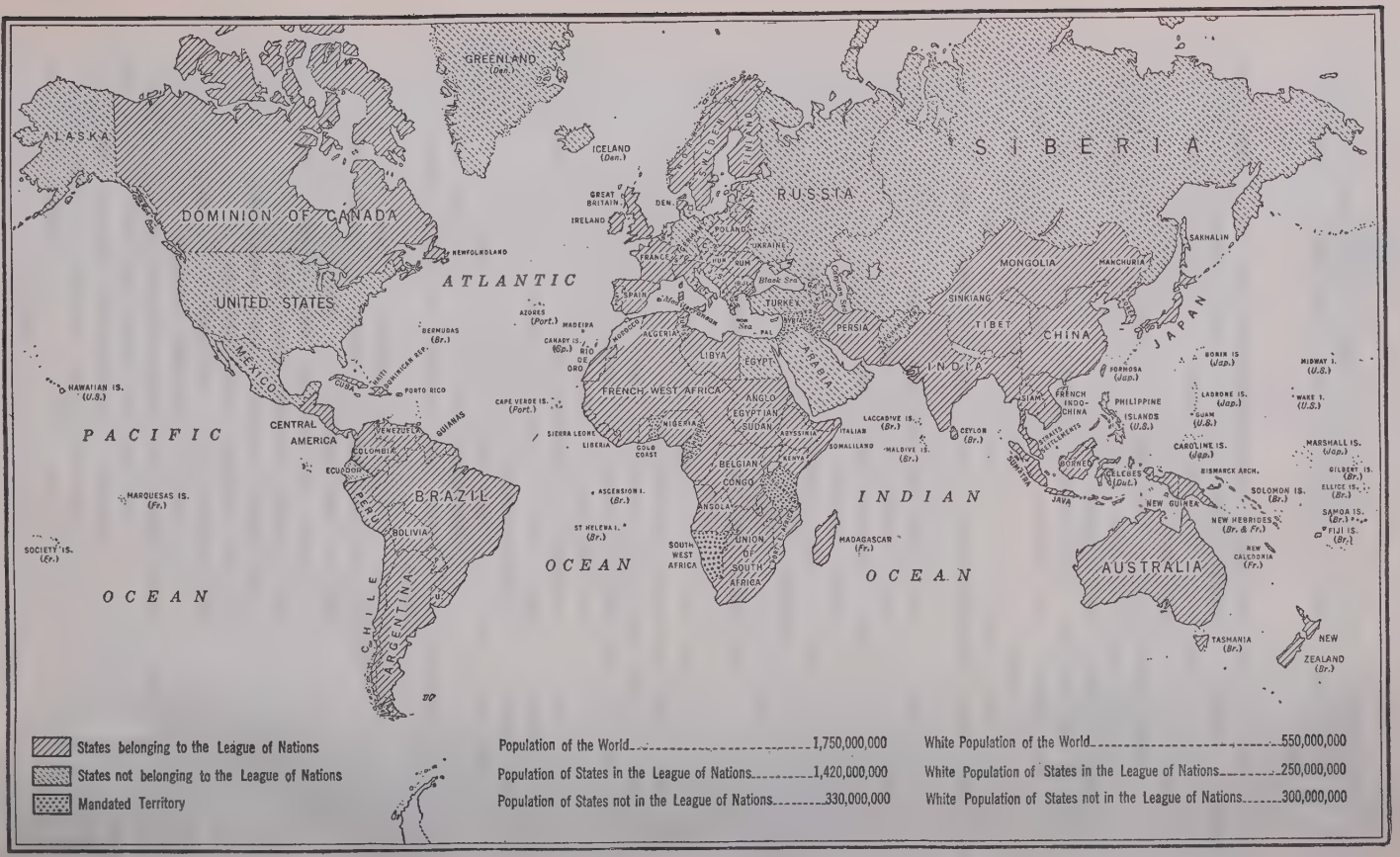
HISTORICAL JUDGMENT AND THE PEACE — NEW LESSONS AND THE OLD ADAM

From the standpoint of historical thought — with such suggestions of political probability as may be drawn from the recorded experience of mankind — due criticism of these results would require a full, calm volume. Here the shortest attempt at summary must suffice. The resurrections and deliverances of formerly subject peoples were a gain to the political vitality of the world, although the new states were mostly inclined to be as oppressive and encroaching towards weaker populations as the vanished military empires had been towards themselves. Europe, however, was Balkanised — that is, broken into too many fragments, jarred by violent antipathies. Of irredentist problems like Alsace-Lorraine, more were created than were solved. As another result, all over continental Europe, territories and positions acquired by force were only tenable by force. Accordingly, what had seemed to be the paramount purpose of general disarmament soon proved to be the briefest of the dreams. The British indeed ceased again to be a people with a large military organisation, and even their Air Force they prematurely dismantled under the mingled influences of financial pressure and genuine emotional delusion. On the European side, the vanquished only were disarmed and could only be held down by the rising armaments of the rest. The new nations were as protectionist as military. There was a mushroom growth of their custom houses. More frequent tariff lines and railway interruptions made travel less convenient and transport less efficient in the new Europe than in the old. The small states ought to have been organised in several federal groups when the Peace Conference had the power to do it. Worst of all, for the next years following the World War, the crude financial articles of the Treaties would make general economic recovery impossible and plunge currencies into chaos. In the further future, sooner or later, the excesses of territorial seizure, the new partitions and mutilations, ascendencies and subjections, would be the multiplied causes of further wars, unless some new regulating and adjusting principle could be introduced into the international connections of the world. Above this turbid flood the League and the Covenant alone seemed still to gleam like a misted rainbow. Would it strengthen or fade? That was the intense, all-involving question that remained when the Peace Conference in the summer, after the end of the World War, had done most of its work. The answer was already in jeopardy.

PRESIDENT WILSON'S FIGHT AND FALL — THE "LAST OF THE PROPHETS" AND HIS OWN PEOPLE — AMERICA'S WITHDRAWAL — THE CROWNING TRAGEDY OF THE PEACE

On June 29, 1919, the day following the signature of peace without mercy, the President sailed for America. More of the world's political hopes were embarked with him than had ever accompanied a voyage. The cloudy destinies brooded over it. He carried the Covenant in his hand in the innate temper of a new Calvin holding fast the "Institutes" of Christian politics. Last of the prophets, as he had been called, he did not look to suffer the more frequent fate of prophets by finding himself without honour in his own country. From the Republican side in the United States anxious warnings had been sent to European friends reminding them that there was, in the American Constitution with respect to treaties, a redoubtable proviso called the power of the Senate. It is a mistake to regard Mr. Wilson as the weak prey of European subtleties. Nothing could prevent the European Allies, great and small, with the swarm of their emancipated clients, from having the chief part in determining their own destinies. It is but crude melodrama to represent Clemenceau and Lloyd George as Machiavellis of the peace. One was too clenched, the other too fluid; but both had gone through fire and water to save the peoples from destruction. Mr. Wilson, in his heart, had no such affinity with either as might tempt him to be mesmerised; nor were yielding diffidence or perplexed pliability among the traits of his character. He depended too much on his own mind and his solitary documented method. Other influences had prevailed. He could not escape the atmosphere; his mind could not work as clearly in Paris as in Washington. He was tiring in body. Again, his acquaintance with the facts, and insight for the psychics, of Europe and Nearer Asia were far behind his grasp of moral principle; and this accounted for his consent to some things that at any price he ought to have withstood. But in the main, amidst desperate complications, he meant what he did. He made his deliberate choice between what he thought the lesser evils and those which seemed to him the greater. To secure his central purpose — the League through which he and many believed that every other ideal might gradually be realised — he had waived the immediate application of nearly all the rest of his doctrine. But whether the keystone of his new world-system held firm or fell, remained still a matter which could not conclusively be determined in Europe, but must depend on the result of his appeal to the American people.

The ensuing party-struggle in the United States held breathless all the rest of civilisation. Politically, it was like a battle of the Marne drawn out for months. To secure American adhesion to the working system of the League, European supporters would have been willing to modify the Covenant to any degree and especially to modify Article X so that the United States without its own free consent could not be called upon to support any forcible assertion of the authority of the League. Between America and Europe, terms of association the least binding in the letter would probably be most efficacious in the spirit. This was not Mr. Wilson's temper. As the President himself proved rigid in principle, his opponents became more implacable in rejection. At the height of this great duel, while Mr. Wilson was still relying upon his appeals to the people over the Senate, he sank under his exertions, and when struck down by paralysis in September, 1919 (but not dying until February 3, 1924) the last chance in the United States for the League was gone. Another world figure, Theodore Roosevelt, had died



This map demonstrates the very striking fact that although the greater part of the population of the world has joined the League of Nations, the greater part of its WHITE population has not done so. The immense white populations of Russia in Europe and Asia and of the United States, combined with the white populations of Germany, Turkey, etc., considerably exceed in numbers the white populations of the States which have joined the League.

more than eight months before when his regained predominance on the Republican side had risen so high as to promise to carry him to the Presidency once more. It was an incalculable loss. Since the successive deaths of Pitt and Fox in English politics, there had been nothing like this disappearance of Theodore Roosevelt from life and of Woodrow Wilson from action. On November 19, 1919, the Treaty and the League were rejected in the Senate. Its final vote a few months later made the rejection absolute. No one could fill Mr. Wilson's place. The American movement for the League had become a cause without a leader.

The United States was absorbed in the gigantic work of changing back from war organisation to normal peace conditions. Prohibition gave it another engrossing topic of its own, while the admission of women to equal citizenship as voters changed nothing in the Mississippi roll of political tendency, but, if anything, gave it more breadth and momentum. In the Presidential elections of November, 1920, the Republican party gained overwhelming triumph by a popular majority of no less than seven million votes. This in America was a formal climax; in Europe it had the effect of anti-climax. Many months earlier, the most striving and reconciling minds amongst European advocates of a new system of world peace under the leadership of the United States had realised that the political battle of the Marne was lost in America. The one great hope of redeeming the rest of the Treaty by the Covenant had been dead from the end of 1919. There was no blame upon America. She had acted within the safeguards of her Constitution. Her President alone could not pledge her. She was as free to return to her former isolation as had been the European victors and their clients to resume the old statecraft of aggrandisement and force, of national and racial egotisms. The three successive tragedies, the World War itself, the Treaty on which so many features of Hohenzollernism were imprinted by the Allies, and America's withdrawal — these were all inherent in circumstances, many of them long antecedent to our own time, for which no one nation was solely responsible and which no spiritual or intellectual force existing had been able to control.

President Wilson's last official act was to accompany his successor to the Capitol on March 4, 1921. He had left a disputable record, but an indelible name. In the height of his attempt and the depth of his fall there was a grandeur, full of questioning, to which historic meditation for centuries will often return. For Europe, as we shall see, the withdrawal of America from the peace was catastrophic, as America's entry into the war had seemed salvation. If the action of the Senate could have been foreseen, some features of the settlement would have been even worse, but more would have been better. A more urgent sense of practical prudence would have had the moderating and safeguarding effect that propositions of abstract virtue had failed to accomplish. The Russian problem would have been taken more vigorously in hand while there was time, and the smaller States would have been more restrained. There would have been less tendency to incur present risks, or indulge various exaggerated claims, in the hope that an effective League would be the clearing-house of future difficulties. Now, on the one hand, America's military power and President Wilson's ideals together had brought about a more complete disintegration, and thus more numerous and virulent antagonisms, than would else have been possible; while on the other hand the corrective action of a predominant regulating authority could not now exist. Without the United States, Germany, or Russia — that is, without the majority of the white race — the League might still be useful for lesser purposes, but for greater its mainspring was broken. For the Continental victors there was no resource but armed vigilance or action; and for the van-

quished none but suppressed hatred. Britain had her long political tradition of reconciling compromise, reinforced in this case by commercial necessity; but without America her mediating efforts were to become more and more ineffective and unpopular. When Mr. Wilson fell, Europe as a whole returned to the temper of war after the war. Nor by the more fortunate continent which had parted company, must Europe be too rigidly condemned. She was re-involved in a web of fate. It was too difficult for average men everywhere to see how anything but force could be the safeguard of those who had imposed the treaties, or how anything but the dream of force could be the comfort of those who had submitted to them.

THE ALLIES AND RUSSIA — DEPRIVATION WITHOUT CONSULTATION — BOLSHEVISM TRIUMPHS IN THE CIVIL WARS — TOWARDS ECONOMIC SANITY

An overshadowing question in these circumstances was that of Russia. The larger peril in 1919 and for some time after was that Bolshevism might spread like a forest fire through the fevered industrial masses of Europe and especially through its defeated peoples. If there was no hope from Washington, might there be more from Moscow if the desperate price of temporary anarchy were paid? Now became clear the magnitude of the error committed when Russia was left out of the paper-settlement. That country with all its distractions was still twice as large as the United States, and included a population of some 130,000,000. There could be no real stability nor full economic recovery in the Old World until Russia was brought back into some regular system of coöperation and intercourse. Without Russia's efforts and sacrifices, let us remember again, there could have been no victory for the Allies, not even with America's aid. Russia could have turned the scale against them all, had she been associated with Germany, by supplying all the economic resources required to defeat the sea-blockades. It was not only unwise but unrightful for the Allies to dispose of Russia's former western territories and boundaries without consulting Russia. Mr. Lloyd George felt strongly that representatives of the great and unfortunate ex-Ally should be included in the Peace Conference, but he received little support, and his own instinct soon hesitated. Russians, without distinction of party, felt the bitterness of the fate thus meted out to them by those they had saved; the result was invaluable to the Bolshevists. It strengthened their *régime*. Patriotic soldiers and other nationalists began to rally to it.

At the time of the Peace Conference, the Great Three could have done either of two things. They could have recognised the Soviet Revolution with all its horrors, or they could have overthrown the Bolshevist *régime* by prompt and resolute action. It is agreed that this could have been swiftly effected by a small, highly equipped inter-Allied army. The Constituent Assembly suppressed by the Bolshevists would have been restored, and efficient Russian representation included in the councils of Paris. Neither of these intelligible courses was taken.

Instead, the Allies adopted and long pursued a futile, yet expensive policy. They supported and armed the various anti-Bolshevist governments and armies round the fringes of Russia from the White Sea to the Black Sea and from the Baltic to the Pacific. This method only mutliplied tragedy. It nourished chaos for about two years, but ended by making the Bolshevists supreme from Petrograd to Vladivostock. They held the interior lines. They crushed their antagonists in detail. They equipped themselves by capture with much of the munitions that the Allies had supplied. Under Lenin and

Trotsky, they organised and marched with concentrated energy. Their opponents were annihilated in the field as completely as in the civilian sphere. The anti-Bolshevists meanwhile were equally devoid of capacity and cohesion. In political views they were of all stripes and colours as well as "White." Least of all could they agree on the one thing essential to any chance of success — an absolute pledge that the peasants would be recognised as owners of the land they had seized. There was a general feeling in any case that the success of the "Whites," whatever their professions, would mean reaction. The Bolshevists restored an iron discipline in their ranks with the old death-penalty for cowardice and desertion. Soldiers of the Tsarist *régime*, like Brussilov and Polivanov, reorganised and led the Red armies. Nationalists rallied more and more to the Moscow Government against foreign interference; in their view, the interests of Russia had been abandoned and betrayed by the Allies at the Peace Conference. As a result of all this, Yudenich in the west, on the side of Petrograd; Denikin and the Cossacks in the south, like Wrangel afterwards; Kolchak in the east; the Archangel force in the north — all were in turn totally beaten and destroyed. In 1919 the Soviet State had been assailed from all points of the compass. By the end of 1920 it had already emerged triumphant from the Civil Wars. When Vladivostock was captured in October, 1921, the Soviet State had completed its firm conquest of the whole of the old Russian Empire except the portions taken away by the separate decisions of the Allies. Internal security was followed, as we shall see, by a surprising ordinary and reassuring process — the gradual return to economic sanity. The worst of this most terrible of all political and social revolutions was over. The Communist dream had perished in the dance of anarchy; and as individual property for the peasants had in effect been established throughout the land, the restoration of commercial realism, even in the towns and factories, was about to begin. To the significance of this change we must return at another point.

THE RUSSO-POLISH WAR — IMPERIAL POLAND ESTABLISHED — HUNGARIAN ANARCHY AND REACTION — RISE OF THE LITTLE ENTENTE

In dealing with one great factor strongly established on its flank, revolutionary Russia was not merely less successful, but was led into its crudest blunder by the intoxication of previous success. Between the new Poland and the new Russia, from the first moment of their contact, the old historic feud had been revived. The Poles dreaded Bolshevism because nearest to it; but apart from that, they desired on nationalist grounds to annex large territories unquestionably Russian; and generally to keep their huge neighbour weakened and divided as much and as long as possible. In the spring of 1920, while the Soviet State was still embarrassed by civil war, the Poles struck in and advanced with exhilarating rapidity. In May they captured Kiev, the capital of what they hoped would be a separate Ukraine. But Kiev is a holy city in the eyes of Russian patriots, and these, as never before, rallied to the Bolsheviks. All Russians were at one. In the summer the Poles were driven out of Kiev, and swept back as rapidly as they had advanced. Beaten north and south, their own racial territory was deeply invaded. In a few weeks the Russian guns could be heard in East Prussia. The Red troops northward came nearer still to linking up with Germany. By the middle of August, the main Bolshevist forces were within a dozen miles of Warsaw itself. By now the Soviet junta had lost their heads. Thinking themselves as irresistible in foreign war as in domestic, they had thrown away the op-

portunity of concluding an advantageous peace. The western Allies were rushing munitions to the Poles. Foch's lieutenant, General Weygand, was in command. His counter-attack surprised the Russians at the height of their hopes. Their rout and the long pursuit were a shattering disaster. By the final Treaty of Riga, March 18, 1921, Warsaw's eastern sway over non-Polish populations was advanced so far, that Poland became half as large again as the Allies had intended. A little later, the great industrial province of Upper Silesia (attached to Germany by older and closer ties than those which bound Alsace to France) was partitioned in favour of Warsaw. Poland, between Bolshevist Russia and disarmed Germany, had become by the end of 1921 what is called a Great Power with a population of 28,000,000 souls, maintaining the enormous army of 400,000 troops on a peace footing, and able to mobilise a million men at the first call for war. Though rich in natural resources, it was, as we have seen, like the vanished Habsburg system — not a racial state but an Imperial power full of mixed elements. Barely two-thirds of the whole population are Poles proper. This is a bad basis for an exaggerated superstructure; and it is certain that when Russia's full strength revives, she will exact a peaceful revision of these arrangements or challenge another reckoning.

Elsewhere the picture was still less like the ideal of Wilsonian peace. It seemed for a long time that by the main line of the Danube, the Bolshevist anarchy would find a better way of penetration into the heart of Europe. Amongst all peoples as a result of the downfall of the Central Empires, the gifted, imperious Magyars had become most like the toad under the harrow. After the crash, hoping like Germany to placate the Allies, they had declared Hungary a republic, but it was equally in vain. Béla Kun, trained in all Soviet methods, returned from Moscow to Budapest to play the part of a Lenin minor. He might be described as a violent caricature of that ruthless original. In March, 1919, the dictatorship of the proletariat was proclaimed in what had been a peculiarly aristocratic State. In reality the dictatorship was that of Béla Kun at the head of a very small but very murderous minority. Private property and private trade were abolished. Houses of the better class were plundered and their contents removed to State dépôts. There were bloody attempts to bring under the communist yoke the obstinate peasants; but these refused to bring their produce to the towns. The Russian Bolsheviks had been more perspicacious. This terror lasted for nearly five indescribable months; and after it was overthrown in August, the Communists were mercilessly requited in terms of the lessons they had taught. It was not the end of Hungary's agony. Rumania, one of the Allies, invaded it, and looted it for months until ordered out towards the end of 1919 by the Great Allies. Nevertheless, in Hungary, the counter-revolutionary middle-classes had proved well able to crush the dictatorship of the proletariat by a dictatorship of their own. A first example of this kind had already been given some time before in Finland by General Mannerheim and his White Guards. These were the real beginnings of the Fascist movement which, as we shall see, was to have wider extensions, suggesting that in all non-Russian Europe, the Bolshevik peril had created a temper stronger than its own. It had roused forces that would fight it to the death and choose, if need be, despotic order against the Red anarchy. In these more settled circumstances, Hungary entered amidst harsh difficulties upon the longer struggle for economic recovery. In the spring of 1920, the Commander-in-Chief, Admiral Horthy, became Regent and still retains that office. The pathetic ex-Emperor Charles made weak attempts to recover the Crown of St. Stephen. The Magyars could not dare to receive him, and the Allies exiled him to Madeira, where he died in April, 1922. None the less, the Magyars remain monarchists at heart, and in con-

siderable sympathy with Fascist Italy under Mussolini. Like Russia, Germany, Lithuania and Bulgaria, Hungary is one of the states which will never willingly accept their present frontiers and, in the end, will probably have power to change them.

This latter fact was indeed so serious and inevitable that it became the key in these regions of a remarkable system, formed and led by the ablest of the new states — Czechoslovakia. In this republic again, as in Poland, less than two-thirds of the population of some thirteen and a half millions, belong to the dominant race. Its German minority especially is large and stubborn. None the less, after its emergence from the World War, Czechoslovakia was guided through its first years with masterly skill by its great president, M. Masaryk, and his trained pupil, Dr. Benes. At the expense of several other nations, most unlikely to be always content, Czechoslovakia, Rumania and Yugoslavia had made gains more immediately extensive than permanently safe. As a method of mutual insurance Dr. Benes, in 1921, organised these three countries into the famous system of the Little *Entente*. It is not so little. The partnership embraces over forty million people with a fighting power in proportion. It was at once able to ban the restoration of the Habsburgs to the throne of Hungary. As against the Magyars alone, the Little *Entente* is stronger than in any other connection. Its geographical array is so loose and disadvantageous for common action that against any counter-alliance of the future its position would not be favourable. Meanwhile, it maintains for some purposes a supplementary agreement with Poland, whose dubious exaggerated frontiers, however, the others are unwilling to guarantee. The Little *Entente*, in addition, works in particular closeness with France. It gave repeated signs during 1922 and 1923 that it must be reckoned with for the present by all the larger Powers. Its best work under the leadership of Prague has been the steady attempt to promote in eastern Europe the resumption of normal transport and commercial intercourse.

GERMANY AND PEACE WITH A VENGEANCE — FIGHT AGAINST BOLSHEVISTS AND MONARCHISTS — THE MODERATE REPUBLIC ESTABLISHED — THE COMMERCIAL REVIVAL OF 1921

We must now return to Germany. The circumstances of eastern Europe have been stated beforehand, so that we may obtain next a clear view of the main question and its background. We thus touch that portentous problem — the mortal struggle between France and Germany, Britain vainly intervening — which throughout the five years since the end of the war has become more and more the dominating and the menacing issue of all world politics and world economics. An unparallelled case in itself, it exceeds in sinister magnitude and difficulty any international problem existing before the war. For a thousand years the historic feud between Gaul and Teuton has convulsed Europe, breaking out again and again with alternations of victory and defeat for each race. Nothing has ever been able to restrain either race at its moment of triumph, or to convince it that on these terms the slow wheel of change must always bring a return of disaster. The crowning tragedy at Paris in 1919 was that the Peace Conference, not attempting any moral solution of the Franco-German question, found no practical solution, but instead gravely aggravated this secular quarrel and prolonged the arbitrament of force.

For a just understanding of both sides of this argument it is better to begin with the position of the defeated. In the course of time, the Germans, by growth of numbers, had become by far the stronger military people,

capable of annihilating France in any struggle confined to the two countries; but now after shaking the world, Germany had gone down under battle and blockade. This time she was not only beaten but paralysed, as between the French armies on one side, those of Poland and the Little *Entente* on the other. Germany by situation is the heart of Europe, and until that organ beats normally within some conciliatory peace system, there can be no true health of the whole.

For some time after the war, the doubt was whether Germany, the heart of Europe, could be saved from Bolshevism, or whether it would pass through a more terrible experience than that of Hungary. After violent preludes the Spartacus League in January, 1919, attempted the real Communist insurrection. It was stamped out in a few days by military force under a Socialist Minister of Defence, the vigorous Noske. Its leaders, Liebknecht and Rosa Luxemburg, were murdered after surrender — another example of the temper that Bolshevism in every country outside Russia was now rousing amongst its opponents.

While the Peace Conference was sitting, local Spartacist revolts, after bloody conflict, were crushed in many parts of Germany. The Weimar Assembly established the Republican Constitution with Herr Ebert as its Socialist President, but the old name of the "Reich" was dear and it was retained. The terms presented by the Allies at Paris were a stupefying blow. A Socialist Minister like Scheidemann cried amidst passionate applause, "Let the hand wither which signs this peace." But passionate applause was of no avail against fixed bayonets. With hands that dared not wither, the Treaty of Versailles had to be signed. It came into force in January, 1920. Of the subsequent endless distractions of German politics, only a few salient points can be indicated. Throughout that year the work of disarming Germany went on side by side with the struggle to establish a stable social system. In March a monarchist conspiracy, under Dr. Wolfgang Kapp and General von Luttwitz, carried through a sudden *coup d'état* in Berlin. President Ebert and his Socialist Ministers made their famous appeal to the people against reaction — "Cease work." In 48 hours the Kapp *putsch* had been crushed by a general strike throughout the length and breadth of industrial Germany, but was especially complete in Berlin itself where the conspiracy was paralysed.

None the less, the atmosphere of excitement and alarm led to new Bolshevik risings and raids. The Red forces seized the great industrial district of the Ruhr, and established a passing terror. It could only be crushed by sending in German troops in answer to the desperate appeals of the population. But under the Treaty, the Ruhr district next the Rhine formed part of a neutralised zone forbidden to German troops. In punishment of this illegality, despite the crisis of life and death which had caused it, the French Government ordered the occupation of Frankfort and Homburg. This caused virulent bitterness in Germany, especially the detail that Senegalese negroes were quartered in the university of Goethe's native city. British dissent from French action was one of the first open fissures in the *Entente*. These circumstances did not make it easy to establish any sound Republican *régime* against Bolsheviks and Monarchists alike. The moderate parties were being weakened, while both the extreme wings, Communist and Reactionary, were strengthened in a manner which contained the latest threat of civil war.

Nevertheless, by the end of 1920 the main thing was creditably done. As against Bolshevism at least, the stability of the new Reich was established. This was not shaken when fanatics, full of the criminal insanity of reaction, murdered Erzberger in August, 1921, and Rathenau in June, 1922, though these atrocious crimes deprived Germany of the two most vivid personalities amongst her leaders, and were lurid flashes in the darkening drama of mid-

Europe. Bavarian particularism was defiant of Berlin in these years, but it was still more anti-French; it was not separatist as regards the Reich. The general order under a moderate *régime*, though opportunist and inadequate, remained more or less as it had been stabilised during 1920; and a tolerable sense of security prevailed. The result was a feverish commercial activity stimulated by the wild financial gambling of the Reich with its currency. All the external appearances suggested an astounding economic recovery, even a bounding progress in wealth-making equipment on the part of the country which protested that it was ruined. France watched with sleepless vigilance, with tense and insupportable anger, what she believed to be the insolent prosperity of an openly fraudulent debtor. This was the staring paradox which brought Germany to the extreme ordeal, and threw the economic confusion of nations after the war into chaos worse confounded. The rest of the record merges the affairs of several people in one narrative, dealing with the efforts to exact from Germany the actual payment, in money and materials, of the colossal indemnities imposed by the Treaty of Versailles.

FRANCE AND GERMAN REVIVAL — A DOMINANT NATION AND ITS "FRAUDULENT DEBTOR" — REPARATIONS PLUS THE RHINE — "THE ONLY SECURITY"

The position of the Third Republic after the war must be shortly indicated. In France, social order never was for a moment endangered. Strikes and manifestations of the small but vehement minority of labour, revolutionary in settlement, were quelled with a prompt hand. The Peace Treaty was most seriously attacked for not being drastic enough. In the elections at the end of 1919 the *bloc national* swept the polls. Its overwhelming majority has given the country, from that time to this, the most resolute and solid patriotic *régime* of modern times. The sequel for the great veteran, Clemenceau, was a strange instance of the uncertainty of political fortune in free nations, as capricious towards their some-while favourites as sultans towards viziers. There was a vacancy in the Presidency, he was not elected, and in January, 1920, the born War Minister, who had left his incisive stamp on the Peace Treaty, retired into private life. Soon, by an unhappy accident to President Deschanel, there was another vacancy at the Elysée, and the succession passed to President Millerand, who became head of the State on the understanding that he would play a stronger part than his predecessors. His robust character was another distinct factor in inspiring France with the uncompromising determination to assert the full logic of her legal claims. The Third Republic had come to a definite consciousness that it was at least as much a dominant power as the empire or the old monarchy had ever been; and it was accordingly inspired by the most decisive and active temper that the French people as a whole had felt for two generations. The return to the proudest spirit of historic France before 1870 was complete. For preserving this position, the political problem was evidently to keep Germany as weak as possible for as long as possible — especially by maintaining, at any cost, the military frontier now in fact extended to the Rhine, realising the national dream since Louis XIV. As matters now stood, the Treaty could easily be so interpreted as to enable that occupation of the Rhineland to be indefinitely prolonged and to become in effect permanent, as Marshal Foch above all insisted.

President Wilson and Mr. Lloyd George had refused that claim, but America had rejected the Treaty and the military guarantee of French security. Relying on herself, France was the more resolved, from the beginning of 1920 onwards, to provide for her own security by keeping the Rhineland

as her rampart, with the Rhine as its ditch. There seemed no other substantial safeguard against another invasion after a few more decades. If there were a future war, it would have to be fought in Germany next time, not in France. This was obviously the adoption by the Third Republic of the German principles of realistic statecraft as applied in 1871 and as pursued from 1914 onwards. They were non-moral arguments; a prophet might urge that sometime, somehow, French reckonings on such a basis must come to the same disastrous sequel as had followed upon the calculations of Louis XIV, of Napoleon, and of the Hohenzollerns alike. None the less, the practical argument was, as it remains, conclusive for the French mind. There must be some security. After America's withdrawal, a diminished League of Nations was no security. To hold the Rhine indefinitely — or at least until some substantial alternative could be offered to France — was the only security.

That was the first interest. The economic part of the problem was of another kind. France, relatively, was considerably less impoverished by the war than any other European belligerent. She had spent her money during the conflict, chiefly amongst her own people. The British and the Americans had spent vast sums amongst the same people. Alsace-Lorraine had returned as immensely enriched assets. The acquisition of the Saar mines was in itself an indemnity which after any former war would have been thought fabulous. The position on the Rhineland, where Germany paid the costs of occupation, carried with it other economic advantages. The devastated departments were temporarily shattered, but in a few years their former productive power, above and below ground, would be not merely restored but enhanced by more modern building and equipment. In these fundamental respects, there was much less doubt about the economic future of France than about that of Great Britain, with her masses of unemployed in consequence of her dependence, not upon internal and secure resources like France, but upon a world-market universally disorganised.

There was, however, another and more shadowy side to the French picture. The devastated departments were meanwhile a spectacle of ravage, apt to move even mild men to thoughts of retribution. The cost of restoring them must be borne by those who had ruined them, and borne with an ample margin. France was loaded with a gigantic debt. In war she had not taxed herself to the bone like Britain. In peace, no French Government for years would dare to propose taxation on anything like the same scale. The French people abhorred such a prospect like death. They would not face it, if ever, until satisfied, without any philosophical doubts touching the mingled yarn of things or the more obscure elements of human fate, that the last drop had been squeezed out of the nation which they held to have caused and willed the catastrophe. Accordingly, France went on borrowing in peace as in war; she spent annually twice the amount of her revenue; and the accumulating deficits of French Budgets were booked up upon the assumption that Germany must pay. By force in the last resort she must be made to pay, somewhat according to those original visions of Versailles, which outshone all dreams of Golconda. Thus, on the economic side, it was the inexorably urgent practical interest of France to get as much as possible from Germany. It was on the political side the equal interest of France to keep the nominal claim on Germany as high as possible, so that for a generation at least, there would be no chance of such complete payment as would threaten what France held to be her vital military security by involving the evacuation of the Rhine. Thus, the dual objects of exacting the largest annual payments, yet maintaining an ultimately unpayable claim — though the dualism was perfectly intelligible from a French point of view — raised

for Europe a tremendous and almost insoluble problem. It was at least a problem unlikely to be solved for years.

"1921" — A FRENZY OF INFLATION — COMMERCIAL PROSPERITY AND FINANCIAL BOLSHEVISM — GERMAN DEFAULT AND FRENCH RESOLVE

Why could not Germany pay, and pay to the full? When the French looked across the Rhine and beheld from 1921 onwards, the startling picture of roaring business combined with a frantic harlequinade of public finance, they thought there was an evasive method in a pretended madness. They believed that German pleas of inability were grossly dishonest, and the French in their turn were maddened by that belief. Convinced that Germany was trying to win the war at a second remove by juggling with the conditions of its Peace, France was resolved to force the issue at need and to bring about a capitulation in finance as complete as had been the surrender in the field. To distinguish between rights and wrongs in this matter, to explain here what we have called the staring paradox of German conditions, is perhaps one of the hardest tasks that can be attempted in a small space. In ships, colonies, overseas investments, in loss of home territory and natural resources — iron ore, coal, potash, zinc, and the rest — the defeated people had already paid gigantic forfeits. Yet in production and all internal business they were obviously recovering at an incredible rate, and were in some ways more powerfully organised and equipped than ever for manufacture and shipbuilding. The working-classes and others were subsidised directly or indirectly in respect of rent, food, and railway travel. The middle classes, indeed, were being destroyed by low incomes and soaring prices. But the big industrialists were profiteering in peace as in war, and at the expense of the masses and the Government alike. Junkers and farmers were flourishing on the land. The classes who had been most in favour of the war were suffering least, or gaining most, from its consequences. One reason for the economic recovery was solid and simple. Germany, unlike Britain, maintains a great agriculture side by side with a great industry, and the consequent internal system of mutual supply gives her the strongest home market in the world next to the United States.

But, on the other hand, were the immeasurable gambles of the Government with the currency — the end of anything like sound money — the stampede of paper issues towards an abyss — the glaring scandal of weak taxation. The printing-press poured out notes in multiplying volume with accelerating speed until the thing was like a stream broadening with rapidity and then becoming a Niagara. The German mark swept like the Russian ruble towards a gulf of worthlessness. The Reichsbank notes in circulation were, at the end of the war, over 20,000,000,000, marks — already many times as much as before 1914. The figure rose by the beginning of 1922 to over 130,000,000,000, and before the end of that year, when the crash came, to over 1,200,000,000,000. After the Ruhr occupation the issue rushed up to 10,000,000,000,000 marks. The authorities of a nation which had so well resisted Bolshevism in politics yielded utterly to Bolshevism in finance. Yet the thing which became in this way an uncontrollable cataclysm began with mixed motives, of which some, in Germany's situation, were natural and even cogent. When the war ended inflation was already a habit; and for a time it was likely to be a successful habit or at least the better way in a choice of evils. The country was depleted after the blockade, and materials for recovery had to be provided by imports. The armies were coming home, and employment must be stimulated. The temporary but almost deadly crisis

of 1919 must be surmounted by any immediate means available, whatever might come afterwards; otherwise there would be, probably, a second and anarchic revolution on the Russian model. Bolshevism in finance was a means to stop Bolshevism in politics.

There were, of course, other motives and effects. Marks were sold for enormous amounts to foreign speculators, who were duped, and deserved it, after helping Germany appreciably to reëstablish large credits abroad. German exports were powerfully stimulated. They could be sold far below any price at which it was possible for countries with sounder currencies to compete. The encouragement of spending and buying increased the activity of the home market to the utmost. German factories modernised their equipment to perfection. The German State could undertake great public works like the improvement of waterways, such as the British Treasury, facing its problems with the sternest orthodoxy of taxation and thrift, could no longer afford; for it was cutting down even the smallest branches of expenditure. Towards the end, as marks multiplied and prices rose, a man could build a house for the sum required a year later to buy a hat. The system was a windfall to debtors and ruinous to creditors. What you had borrowed in cash, as it were, you could pay back in counters. In this way manufacturers and agrarians were cheaply freed from their bank-loans and mortgages. Germany's internal war debt was wiped out, while the British taxpayer staggered under his unparallelled burden; and in a different way in France, the huge liabilities of the State mounted up by further borrowings. That was not the worst. The profits of the industrialists and shopkeepers, junkers and farmers, were extortionate, yet weak taxation became a farce. When the demand-note became due to the State, the nominal sum paid in a rapidly falling currency meant only a fraction of the value requested.

We cannot wonder that when Germany in these circumstances began to plead for relief and postponement with regard to Reparations, practically the whole of France and a large part of Britain — though not its more responsible and expert classes — believed that the most flagrant of fraudulent debtors was attempting final escape. It was not only an almost inevitable view of the natural man. There was this measure of indirect truth in it that the degree of folly to which inflation had been carried, was now having all the effect of fraud at the expense of the Allies. Yet the original blame was theirs. They were reaping what they had sowed. They had been warned, when the frantic finance of the Versailles Treaty was proposed and imposed, that the results could only be some such nightmare of chaos and futility as had ensued. They were urged to ask less in order to get more; and if in moderating their total demand they had fixed a reasonable time-limit for the evacuation of the territory left to Germany, they could have got more still. In the case of a great country like Germany, with 60,000,000 inhabitants, large indemnities stretching over years can only be paid fully in the long run by the coöperation of a willing people. Inducements in such a matter must be more effective than force. After the Treaty of 1871 the French paid the five milliards in three years to get the Germans out. Germany would have made a wonderful effort to pay had she been given any prospect that payment would mean the liberation of her soil in five years, or in ten. Instead, she was denied every inducement. She was offered nothing when the Peace Conference had the chance of putting matters in a right way, but crushing tribute, economic serfdom, prolonged dismemberment, one-sided disarmament, and national despair, stretching into the latter part of the twentieth century and perhaps beyond it. If the position of the present generation and the next could be made no better by the utmost effort to pay, why should they attempt it? What worse could happen to them if

they did not pay? Upon no terms would France give a definite pledge to relinquish the Rhine and the Rhineland. In order to keep possession of that region for indefinite time, France would not even consent to fix the total of Reparations definitely and finally at any figure which could be paid. In these circumstances the whole German nation, by collective, automatic instinct, undoubtedly and inevitably worked to evade and delay, hoping to bring France and the Allies to more equitable and manageable terms. As certainly, the excess of inflation was partly meant by German Governments and financiers to defeat the original and annihilating terms of the Allies. In the same circumstances any other people and Government in the world would have done the same.

By annexations and confiscations, as we have seen, the Allies had, in fact, taken large indemnities to begin with. Germany was further bound for ten years to pay a coal tribute that even when reduced in May, 1920, came to 2,000,000 tons a month. She was to pay the costs of the armies of occupation. Over and above all this, the Allies, though not yet making a final assessment, seemed to contemplate, as Reparations proper, an impossible total of over £11,000,000,000. It was a demand that could not be discharged by Germany in a century. Men of just mind knew this to be nearly fourfold more than ought to be asked; and competent experts on the British and American side knew that the sum was four times as much as could ever be paid. Not only was a new and almost hopeless feud created between France and Germany, but the apple of discord was thrown amongst the Allies themselves. From this point, we can follow the course of a struggle in which the mixed issues of French military security and financial Reparations were inextricably confused.

Following the Great Conference at Paris, the Supreme Council of the Allies tried to deal with the matter by a sort of peripatetic *régime* of subsidiary conferences held in pleasant places. At San Remo, in April, 1920, Mr. Lloyd George and Signor Nitti made the sensible proposal that Germany should become a party to the discussions. At Spa, in July, the German representatives appeared, but as usual they made a disappointing use of the advantage afforded them. Then, as too often later, they came short in conciliatory ability, sense of necessity and practical judgment. A stern summons, however, hastened in the latter part of 1920 the hated but remorseless process of German disarmament. Throughout the next year this process was further enforced by the Allies under threat of extended occupation. They curtailed or repressed the popular attempt to keep up informal but large armed forces like the Home Guards (*Einwohnerwehr*), the Civic Police (*Sicherheitspolitzei*), and the ultra-patriotic volunteers of the *Orgesch*. But the financial dispute became ever more dominating. At Paris, in January, 1921, the Allies still tried to keep up the Treaty claims in all their preposterous magnitude, demanding not only a sum of £11,300,000,000 payable in gold marks, but an additional tribute equivalent for over 40 years to 12 per cent of German exports. These things did more than anything else to plunge German financial methods into recklessness. The defeated people feared, and had reason to fear, that a sounder system of currency and Budgets would only enable France to skin them alive. In face of a German agitation of genuine despair the Allies, after a few months, in May, 1921, reduced their claims to £6,600,000,000. It was still more than twice as much as the possible; but there was a brief lull in the struggle. In September, at Wiesbaden, Loucheur and Rathenau even arrived at an agreement concerning the delivery by Germany of materials for the work of reconstruction in France. By the end, however, of this critical year of 1921, with its soaring commercialism and financial decadence, Germany's position as a debtor under the

Treaty was becoming hopeless. The Reparations controversy was reopened in a more ominous form. The German Government announced that it must soon begin to default in its money instalments, and requested delay. At this, French opinion, more than ever convinced that the simple theory of the fraudulent debtor was the sum of the truth, began to insist on more drastic measures — measures, indeed, so drastic that they would stretch Germany on the rack like a rich Jew in the Middle Ages, and wrench her bone and sinew until she screamed for mercy and disclosed her hoards.

1922 — REPARATIONS AND FRANCO-BRITISH DISSENSION — ENTER M. POINCARÉ — A MAN OF ACTION — MR. LLOYD GEORGE AND THE GRAND PLAN — THE GENOA FIASCO

This attitude from the beginning of 1922 began to make a widening breach between France and Britain. The embittered controversy soon came to an unhappy pitch. Passion, though its accompaniment, was not its cause. There was a fundamental difference of judgment on a question of inestimable importance for the world's future. France, as we have seen, was adamant both on financial Reparations and on military security obtained by keeping the control of the Rhineland and the Rhine, no matter what Germany might pay. France refused to see any incompatibility between these two objects. British statesmen, far more moderate and far-sighted in economic statesmanship, as in a sense of ultimate consequences in politics, never faced the full gravity of the situation created for France by America's rejection of the military guarantee and by the consequent lapse of Britain's similar guarantee. The British Premier, Mr. Lloyd George, and his colleagues in the Coalition Government were too apt to think that something effective had happened when France was confronted with purely verbal dilemmas — whether she really wanted German reparations or German ruin, whether she wanted cash or chaos. They could not realise the crystalline resolve of France to extract from Germany the practical maximum of financial Reparations, and at the same time to keep a firm grip on the Rhine at least for many a year to come. The Rhine is the permanent question for the post-war world, as was Alsace-Lorraine for the pre-war world, but the new problem is by far the larger and the graver. British statesmen, however, though misleading themselves by the supposed dialectical dilemmas, and not realising the set determination of France to obtain both her objects, knew — as indeed Germany knew — that the Rhenish question cannot be usefully raised for a considerable period to come. Accordingly, the Coalition Government in Britain desired, at the opening of 1922, first, to reduce Germany's liability once for all to a payable figure, finally assessed; secondly, to bring about a wider settlement in Europe; and thirdly, to create a broader League of Nations.

This inspiring plan was embodied in the British Prime Minister — the last political survivor of the Great Three of Versailles. It was to come to a fiasco followed by the fall of Mr. Lloyd George himself, by the separate action of France in arms, and by a consequent German catastrophe. A few words must enter here about a notable man. While Wilson, Clemenceau, Nitti, Venizelos, had disappeared from power, Mr. Lloyd George had prolonged his tenure by miracles of agility, now intrepid, now elusive. A man of genius in the emergencies of action — an immortal influence in animating the British spirit through the dark years of the war — he was less successful as a Peace Minister, unsatisfactory and unsure in dealing with continuous business and complicated affairs. He had been 17 years in office; his audacious energies and tenacious fibre were no longer what they had been before

the war, in which he had spent himself without stint. Nevertheless, as in the case of Wilson and Clemenceau, he was at the top of his political fortune before the fall. At the end of 1921 he seemed for a moment, by conceding to Ireland, outside north-east Ulster, the utmost freedom short of open separation, to have settled the question which had defied British statesmanship for 700 years. His next ambition was, not indeed to settle Europe at one stroke, but to make a decisive advance towards that settlement by at least amending some of the worst errors and omissions of the Treaty of Versailles, and so mitigating the tragedy of the Peace Conference.

The French Premier of the day was M. Briand, a man formerly as supple, as realistic as Mr. Lloyd George himself, and in crisis as bold, though more reflective, as more indolent. But M. Briand, too, was older, and like nearly all other men in Europe after the wear and tear of the war, was no longer all that he had been before it. The two Premiers met at the Cannes Conference in January, 1922, to consider the situation created by Germany's announcement of inability to pay. They signed a draft pact by which Britain engaged to guarantee French security for what French opinion thought a uselessly inadequate term of years. Secondly, Mr. Lloyd George secured M. Briand's consent to a general Conference of Nations. It was to be held on the grandest scale at Genoa, and to deal with the European question as a whole. But Mr. Lloyd George, by now, was hated in France; and his war services, once so ardently extolled, were forgotten. The brilliantly vituperative talent of the Paris Press and stage held him up as an advocate of Germany. M. Briand, in a moment, was thrown out of office. He was succeeded by a very different and more formidable person, M. Raymond Poincaré. The new French Premier had been the President of the Third Republic during the war. Great worker and master of statement, this was a man of the most dogmatic vigour of mind. He had championed the "strict execution" of the Treaty of Versailles, not the moderation of its provisions. He did not admire the British Premier. He did not believe in conferences such as, for two years, had been fertile in verbal declarations of agreement, by Allies who were not agreed. M. Poincaré held that the time was coming to bring more trenchant methods to bear on Germany. He thought that Germany — still at the height of her commercial revival, though its foundations were undermined — was maliciously avoiding the fulfilment of her obligations; that her pleas and excuses were trickery and camouflage. In these very simplified, but robust sentiments, the new French Premier soon had all France behind him. As he had overthrown M. Briand in the first instance, he overthrew Mr. Lloyd George in the next, and became the first man upon the world stage. His convictions were quick and obdurate, but he lacked both depth and amenity, nor was his wisdom equal to his eminence.

None the less, M. Poincaré was determined to be the leader of Nationalist France. He had thought out his course and was set to take the risk. He judged it, and rightly, to be for all near purposes, what is called a safe risk. He was no sooner in power than he knocked the bottom out of the great Genoa project by forbidding it to deal with the central subject of its programme — German Reparations. The French Premier had begun to shape in his mind another method of dealing with that dawdling affair. Mr. Lloyd George, already weakened in Britain by a submissiveness to party mutiny very different from his former character, might have adopted either of two courses. He might have put off indefinitely the Conference of Nations, while declaring that the *Entente* with France must be suspended until M. Poincaré abandoned the new method of peremptory veto and returned to the spirit of equal discussion. Or, alternatively, Mr. Lloyd George might have taken the stronger course of appealing to the British people at a General Election

to strengthen his hands for the purpose of a Conference of Nations to consider the whole European question, Reparations included, with France or without her. Instead, the British Premier, without seeking a vote of confidence from his own countrymen, persisted in a dramatic scheme which had lost its chief motive; accepted M. Poincaré's fiat, excluding the vital question; and went abroad on his biggest adventure — as a statesman not only diminished in repute at home and abroad, but weakened within himself. The sequel was a classical object-lesson as regards distinction between the superficial and the essential elements of political action. The French Premier was simple and unyielding. The British Premier was versatile in vain. Mr. Lloyd George was wonderful in eloquence, momentary dexterity, dramatic manifestation. He failed because unlike M. Poincaré, he was not fundamentally determined to fight at any cost. The great programme of reconciliation and coöperation he had unfurled like a banner. To have staked all upon it then would have been better politics for himself as well as giving a new moral leadership to Europe.

At Genoa in April, 1922, the Conference of Nations met. Wider than the League of Nations it included both Germany and Russia. The American Ambassador to Italy held a watching brief. Nearly every country had sent its Prime Minister, but M. Poincaré remained in Paris. Disentangled from detail, and unfettered by the compromises so hard to avoid in personal intercourse, he was able to exercise, from a distance, a decisive power of check and control. Mr. Lloyd George guided the proceedings in Genoa itself, and for weeks they were an absorbing drama. Every attempt to evade the French veto upon the discussion of Reparations was defeated.

Long efforts to restore full commercial intercourse between Russia and the rest of the world were as futile. Chicherin and the other Soviet delegates, regarded with jealous vigilance by the extremists at Moscow, had to walk more delicately than Agag. They met business propositions with interminable subtleties. Few amongst the other nations realised that in spite of these necessary face-saving dialectics, the Bolshevik *régime* had emerged from the terrorist stage and was seeking to reëstablish by degrees a saner economic system throughout its vast territories, forming something like a seventh part of the whole habitable earth. There was no more practical interest of civilisation. The Russians, for all their endless word-spinning, were getting ready to recognise at a later stage Russia's former debts in return for credits. They were willing to grant to foreign capital concessions which would be private property in everything but name. The French and Belgians insisted on the name — one formula asserting the imprescriptible and sacred rights of private property. Behind them were swarms of small bond-holders, creditors of the old Tsardom. General abhorrence of the Bolsheviks still swayed public opinion in most countries and especially in the United States; though nothing could be much more certain than that the time was coming when practical intercourse with Russia must be resumed, since otherwise the full economic recovery of the world cannot be effected. The attempt in this sense at Genoa came to total failure.

The Germans made it more grotesque. Fearing for their own interests, they suddenly made a separate treaty with the Soviet delegates in a manner which could only be regarded as flouting the Allies and especially Mr. Lloyd George, to whom the same Germans owed their chance of being present at Genoa. This execrable blunder reduced to mingled fury and despair those who had been working hardest to moderate the Treaty of Versailles.

There is no need to lengthen comment upon this last unhappy attempt to deal in general council with the European question as a whole. The Genoa Conference missed all its aims. Nothing came of the projects for

treaties of mutual guarantee between groups of nations. Nothing therefore could be done for disarmament. Germany and Russia were not brought into the League of Nations. Economic coöperation was not restored with Russia. Above all, German reparations were not dealt with. Herr Rathenau, so soon to meet his doom, urged passionately that the system of inflation was coming at last to an irretrievable crash of the mark. It was true, but he was not understood and his own constructive ideas were not equal to his imaginative genius. M. Poincaré's veto was of an iron rigidity.

The *Entente* between France and Britain had been strained to the limit. In the end M. Poincaré prevailed, though it was a disastrous victory. The British Premier had made a magnificent effort, excelling himself in the eloquence both of persuasiveness and defiance; but he shrank from staking his political life upon so grave a proposition as that the *Entente* must terminate unless France would make more reasonable efforts to harmonise her own rights and claims with the desperate necessities of European re-settlement as a whole. Mr. Lloyd George yielded at the last, and this was soon shown to be the death-blow to the position and prestige he had held so long. Henceforth, beyond question, M. Poincaré was the world's dominating statesman. The great Genoa fiasco was followed almost at once by a meeting of economic experts at The Hague upon the continued question of Russian trade and debts; but this was merely a smaller fiasco.

AMERICA AFTER WITHDRAWAL — THE WASHINGTON CONFERENCE — FROM HARDING TO COOLIDGE

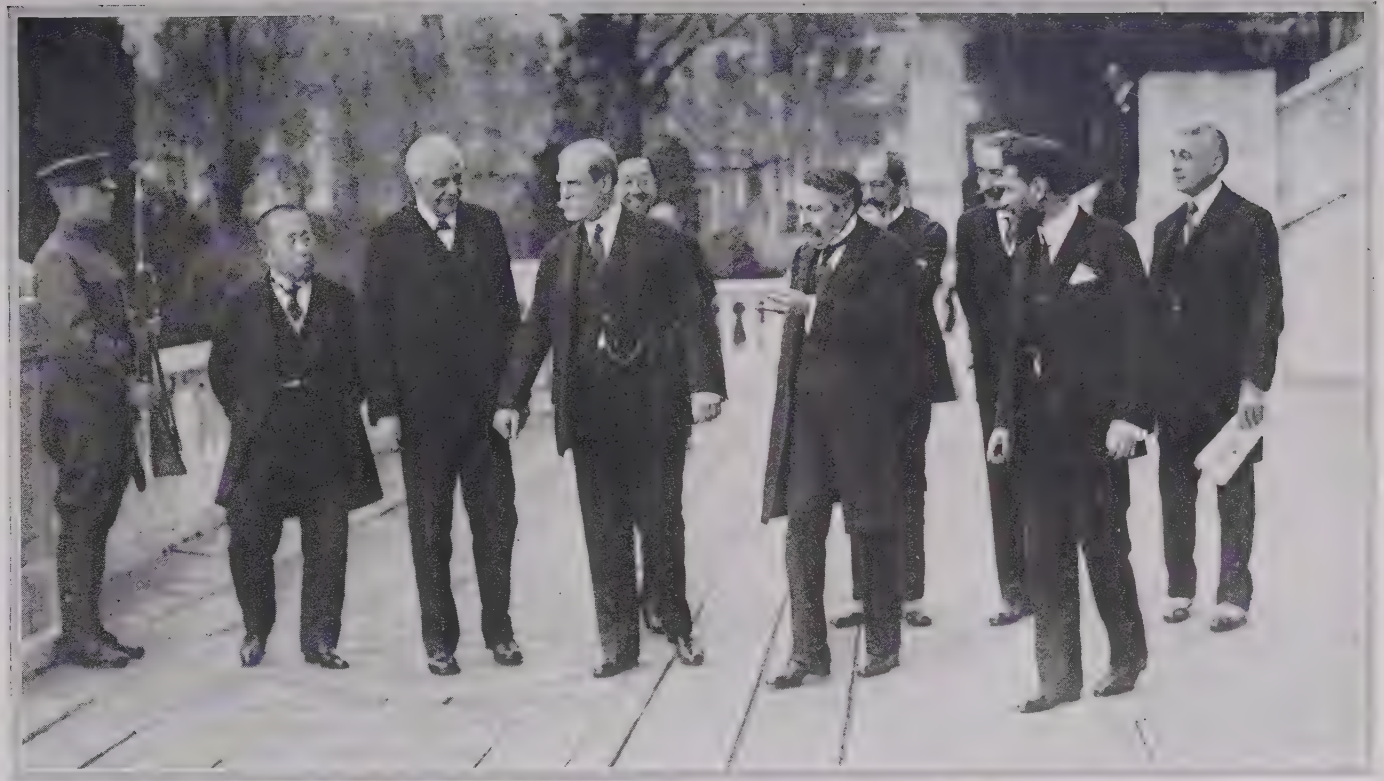
We must break off here, to glance at some other remarkable movements in the world before bringing this survey of events after the war to a conclusion by narrating the sequel of Franco-German relations.

We left American affairs at that somewhat poignant, historical scene when Mr. Wilson accompanied his successor to the Capitol. America, withdrawn within her spacious self, no longer filled that broad place in general human affairs which she had occupied for four irrevocable years. France, with her trenchancy of logic, had rightly drawn the consequences and determined to rely wholly upon herself. Many other elements in Europe, such as the Dutch and Scandinavian nations, eager for a more real peace, and such also as the defeated peoples, were slower to give up hope. The British were slower still. They did not want the material assistance of the United States, but they wanted its decisive moral aid in the efforts for a more reconciling and constructive policy. President Harding in his first message had rejected the League and Covenant as a matter of course, but he did not urge isolation. He said: "We make no surrender of our hope and aim for an association to promote peace in which we would most heartily join." From these words too wide a deduction was drawn in Europe. The United States made formal peace with Germany and other ex-belligerents who had been smitten to the ground by help of America's potent hand. The President's Cabinet, which included Hughes, Hoover and Mellon, was regarded by the general world as very strong and something more than a conventional party adminstration. There was no surprise when the Washington Conference was summoned and its terms of reference were known. It was thought by the world at large to be only a beginning, though the best beginning.

The foreign nations invited were chiefly — in relation to the programme — Great Britain, France, Italy, Japan and China. Assembled in November, 1921, the Conference, under Secretary Hughes, was brought abruptly to business not so much by a Chairman's bell but, as was jested at the time, by a

Chairman's bombshell. He at once proposed the restriction of naval armaments on a basis of relative strength expressed as regards the United States, Great Britain and Japan by the famous 5–5–3 ratio. Mr. Hughes was immediately supported by the British delegation, and a general agreement as regards great battleships was reached. France was not content with her proportion, but gave way. The decision with regard to submarines, the weapon most universally dangerous to the future use of the seas for commerce and by passengers, was much less reassuring. Not only were the British delegates unsuccessful in urging abolition, but as regards under-water craft, neither stabilising of relative strength nor limitation of total tonnage could be brought about. Mr. Hughes made proposals in this sense, but the national opinion of France was roused against them, and her delegates flatly refused them all. On Mr. Root's initiative, an endeavour was made to remedy this flaw by the resolutions prohibiting the use of submarines as commerce destroyers. But war, once broken out, makes havoc of rules. Submarines continue to multiply. France, for instance, regards them as the essential means of defending her colonial communications. Undoubtedly, modern war and free maritime commerce cannot co-exist. Controversies regarding the Pacific Ocean were settled by agreements regarding possessions and spheres of influence. Further, the general principles of the integrity of China and the open-door were reaffirmed. Japan agreed to evacuate Kiaochow and Shantung; and these, which since a quarter of a century before had played so large a part in the destiny of our time, were restored to China at the end of 1922. The Anglo-Japanese Alliance, which had been so memorable an instrument 20 years before, when it began the breaking of the Kaiser's dream of world-domination in partnership with the Tsar, was now dissolved. From the outset, all discussion of the present possibility of reducing military armaments was eliminated by the resistance of France, whose protest against raising the question in view of the existing state of Europe, was resolute and cogent. It was indeed unanswerable, since America was probably more decided than ever not to take over the responsibilities which Mr. Wilson had proposed and the Senate had rejected.

None the less, the gathering at Washington had been, within its limits, the most efficient of all conferences. It had set up a landmark in modern history. The trenchant clearness with which it had been opened by Mr. Hughes had struck the imagination and stirred the conscience of the world. At the outset, also, President Harding had seemed to be in favour of succeeding conferences to deal with the world's wider, more menacing international problems, economic and political. On the European side of the Atlantic, the visions of a sequel again became somewhat vivid, and, though unfulfilled, were slow in fading. There was no sound basis for these hopes. The Washington Conference itself had convinced the President and Mr. Hughes that direct interference in the European chaos was undesirable, and they refused to participate officially at Genoa. After that orgy of dissension, American average opinion, forgetting what the moral suasion of the United States might have done had it been steadily exerted, apart from any impracticable question of joining in the League and Covenant, had unfortunately more excuse than ever for thinking that Europe was in a temper of militancy gone mad, and that any American relief of its finances would mean the encouragement of its armaments. The German Republic was winning a sympathy which increased after Rathenau's murder; but at the same time, though the traditional favouritism towards France had been weakened temporarily by the experiences of the Washington Conference, the feeling for that country remained so strong as to prevent any unified attitude of the American mind in general towards world-affairs.



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The "Big Five" leaving the Pan-American building in Washington after a session of the Conference on the Limitation of Armaments (1921). In the foreground (left to right) are: — Prince Tokugawa, Japan; Arthur Balfour, afterwards the Earl of Balfour, Great Britain; Charles E. Hughes, U. S. Secretary of State; M. Briand, France; Signor Schanzer, Italy. Immediately behind these men are: — Dr. Sze, China; Dr. Van Kainebeck, Holland; Baron de Cartier, Belgium; Viscount d'Alte, Portugal.

At the beginning of 1923, in spite of its stupendous taxation and its mass of unemployment, Great Britain had ended an irksome question by arranging in Washington the funding of its debt to the United States. This strict example did not make it probable that other nations would be easily brought to an equal willingness to repay the debts that American citizens meanwhile were bearing for them — still less to repay the huger war-loans to Europe that British citizens would otherwise have to liquidate. President Harding's death caused a genuine emotion of human sympathy amongst ordinary men and women everywhere. There was a feeling that he had represented the world's chief requirement, good-will; and that his Washington Conference had set up a sign-post indicating the world's true direction. The former expectancy that America would lead the further advance in that direction had ceased to play any serious part in the European mind. President Coolidge, as a man of singular reserve and latent force, might prove capable of surprises before the end of his tenure. But in the months after his accession this idea was but a faintly dramatic speculation, and played no part in the practical reckoning of the world outside America. Nations everywhere, by unescapable necessity, had gone back to the mood of striving for themselves.

TURKEY REVERSES THE RESULT OF THE WORLD WAR IN THE NEAR EAST — THE GREEK DÉBÂCLE — DISUNITY AND DEFEAT OF THE ALLIES — FALL OF MR. LLOYD GEORGE

While the trans-Atlantic or western part of civilisation stood aloof from the rest, there was no quiescence on the opposite side, where epoch-making events marched with startling rapidity. In Nearer Asia, there never had been peace. The Treaty of Sèvres, at the expense of Turkey, had never been accepted for a moment in the rugged Anatolian homeland of the Turks. As a result the "Porcelain Treaty," as shrewd witnesses had called it from the first, was shivered to atoms. Rallying in circumstances which at first seemed hopeless to a casual view, the Ottoman clan, with all its secular obstinacy, had reversed the Eastern situation, as that had stood at the end of the World War. By one of the greatest die-hard fights of its kind in all history, they had cheated death and fairly brought the Allies to surrender. This astonishing episode followed from a main blunder of the Paris Conference in its last, tired phase. The Turks seemed not only broken but annihilated. There was no sense of urgency in dealing with them. It had been hoped at first by political romantics that America would accept a mandate for all the regions of the former Ottoman Empire, not only a legendary region of the world but rich in every kind of political and economic possibility given sound administration. After all, Jerusalem and Damascus, Mecca and Bagdad, in the original region of the three faiths, Christian, Jewish and Moslem, were only half as far from Washington as were the Philippines; and here was an adventure that might tempt a foremost people. It was a splendid dream, but none could have been more remote from substance. America would have none of that mandate, not even for the limited purposes of Palestine and Zionism. The Peace Conference dallied none the less, hoping that America would join in the Treaties. When that hope was extinct, the Allies proceeded alone. After fatal loss of time they made extreme mistakes.

The simple and right course would have been to expel the Turks from Europe, including Constantinople, but to allow their full national rights in Asia Minor. Instead, the Turks were allowed to keep Constantinople, Saint Sophia, one of the most venerable monuments of Christian architecture re-

maining a mosque, while the Greeks were authorised to invade the Asiatic mainland and annex its Ionian coast. Thus, by the Treaty of Sèvres in August, 1920, the Turks were dealt with as the most negligible quantity amongst all the defeated races. These terms were accepted by the Sultan's Government, but never by the Ottoman race. The Greeks at first had facile successes. But the Turks found a leader. Mustapha Kemal in the heart of Anatolia roused a spirit of resistance to the last breath. Angora repudiated Constantinople, entered into close relations with Bolshevik Russia, and rebuilt a formidable fighting-power. The Greeks overthrew their creative genius, Venizelos, to whom they owed all; with suicidal enthusiasm they recalled their evil genius, King Constantine. A more fantastic chapter of human ironies is hard to instance. The Allies had been blind. France was the first to awaken, but her method was disastrous. In the autumn of 1921 she sent M. Franklin Bouillon to Angora, where he concluded a separate peace without consulting Britain or regarding the *Entente*. When the principal Allies were thus divided, the Turks were sure of the issue.

While the Greeks were dreaming of seizing Constantinople itself — a hopeless ideal which always dazzled their minds — Mustapha Kemal took full time to prepare a deadly blow. In August, 1922, he fell upon the Greek front in Asia Minor, shattered the Greek army, swept it towards the sea, drove it to its ships. In one fortnight he had reversed the main results of the World War in Nearer Asia. In three weeks he had reoccupied Smyrna. In four weeks he was back to the Bosporus and the Dardanelles. Mr. Lloyd George and the British Government, who had been deaf and blind to all warnings that an exaggerated pro-Greek policy could only lead to the ruin of the Greeks themselves, threw a British army across the path of the Ottoman advance; but they were supported neither by France nor Italy. An Armistice had to be concluded and peace negotiations opened. The Lausanne Conference met on November 20, 1922. It dragged on for eight months until July 17, 1923. The obstinacy of the Turk was as redoubtable in diplomacy as in war. The Allies had to surrender. On the one hand France, by yielding to quick impulse and making the separate arrangement with Angora, had broken their front and struck a bad bargain for herself. On the other hand, Bolshevik Russia was behind the New Turkey. The Turks once more control Constantinople and the Straits. They have regained a solid European footing in Eastern Thrace where they cover, as before the World War, the military approaches to Constantinople. Asia Minor is their own, as never before. Therefore, Armenians and Greeks alike have been reduced by sombre fate to insignificance, despite the rainbow-promise of the Fourteen Points, which now seem as far away as the sign in the heavens after Noah's flood. The New Turkey, shaking off the capitulations and all other traditional privileges for foreigners, has won a more complete political and commercial independence than the old Sultanic system had known for generations. In Greece the consequences were like the end of *Hamlet*, heaping the stage with dead. A military conspiracy ended a *régime* as infatuated as that of the Hohenzollerns or the Habsburgs. King Constantine escaped; his Ministers were put to death. But the wider Hellenic dominion that Venizelos had for a moment secured, and which his genius alone might perchance have consolidated, was gone, never in all human likelihood to return.

The biggest result of these events was felt in Great Britain, where a political earthquake overthrew Mr. Lloyd George and the Coalition Government, which for years had wielded not merely power but omnipotence. Up to the last shattering disillusionment, Mr. Lloyd George, by the most inexplicable error of his career, had encouraged the Greek hazard in Asia. After

the separate French agreement at Angora, this policy had become impossible; but he persisted. For various reasons his former ascendency had already ceased to exist. The Turkish triumph, with its incidental evidence of the isolation of Great Britain in foreign affairs, ended the long premiership of this celebrated and baffling personality. The coalition between Conservatives and Mr. Lloyd George's National Liberals broke up. In October Mr. Bonar Law became the head of a purely Conservative Government. The following elections returned a great Conservative majority. British policy underwent a complete change of temperament. Illness constrained Mr. Bonar Law in a few months to resign office. He died October 30, 1923. The British premiership passed in May, 1923, to Mr. Stanley Baldwin. He was a cousin of Mr. Rudyard Kipling, had funded the American debt, and bore the mint-mark of sterling honesty. Otherwise he was a relatively untested man. Like his predecessor and President Harding, he desired above all a return to "normalcy." He was to find it, in bedevilled Europe, not too easy to secure. Quiet bravery and sincerity of attempt were hoped from him.

THE SOVIET EMPIRE AND ITS RETURN TO ORDER — THE ECONOMIC RETREAT FROM COMMUNISM — "FROM THE TERROR TO THE DIRECTORY"

By the middle of 1923, there was a more epoch-making change in the world, little appreciated by the greater part of it. By now, outside the boundaries of Russia, nearly all thought concerning it was behindhand. The Soviet system, though still littered with the results of Communist ruin, had become in effect an established empire, ruled with comparative order by a junta of highly intelligent Tsars instead of one duller and feebler despot. Civil war was over. External war would be avoided unless Poland attacked Germany, in which case Russian intervention would be inevitable. The change of temper and method was as striking as the change in the French Revolution from the Terror to the Directory. There was still no true Constitutional liberty. The Bolsheviks still held all power. They were less than one per cent of the population, but they controlled absolutely the towns, the railways, and all the other key-points of a territory which, as one may repeat, is twice as large as the United States. The system did not apparently depend on Lenin alone. His long illness did not paralyse or confuse it. The peasants had defeated every attempt to levy tribute upon them, whether cash or kind, in the abstract name of communist ownership. They felt assured of their ownership of the land. They possessed nearly nine-tenths of the whole land of Russia. In the abstract, private property was still not recognised; practically it was indisputable. The Communist Revolution had paradoxically resulted in the creation of the widest peasant-proprietorship yet known. There were here the broad foundations of a healthy society in the future. Consequently, the Bolshevik *régime* survived even the great famine.

Free trading between town and country was restored. Peasants once more brought their carts to market and sold their produce to the highest bidder. This was inevitably followed by more freedom of private buying and selling for shops and factories in the towns. The convenience and benefit following the first decided movements of the new policy gave the whole process a vital momentum of its own. The State keeps an exceptional control of main services, but neither principle nor practice are radically different from the familiar example of western Europe where some of the most individualistic of nations maintain State railways as well as State services, postal and telegraphic. Above all, money is being restored as a

real medium of exchange, instead of barter. The "Tchernovetz" promises to command confidence like the dollar or the pound in place of the ruble, annihilated like the mark. At present the Soviet State, with all the economic destruction it has still to repair, seems surer of social equilibrium than Germany. Russia of to-day is full of what is called the business spirit. Exporting capacity in respect of agricultural products is growing steadily. There is a strong desire to promote foreign trade and to attract foreign capital and enterprise, in order to develop the immense natural resources of the Soviet Empire. Amongst the leading Bolsheviks, though they cannot be expected to confess it, the dream of a world-revolution is dead. They know now that even the despair of Germany, whereon they counted most, would bring about the triumph of the Nationalist Right, not of the Communist Left. In early autumn of 1923, Bolshevik foreign policy was more attracted to France than to any other country; but it had become certain that all the commercial nations, even those most vehemently opposed to Bolshevism in the time of the Terror, would seek to resume normal intercourse with Soviet Russia.

ORDER OR ANARCHY? — ITALY IN DANGER — SPREAD OF THE COUNTER-REVOLUTION IN EUROPE

Meanwhile, the spreading resistance to Moscow had reached a climax at Rome. A dictatorship was established in Italy by a triumph of counter-revolution. It still presents in the closing period of this survey an imposing and enigmatic spectacle. The recoil from anarchy in Russia itself could not stay the extraordinary movement, throughout the rest of Europe, in defence of social order. To call that movement merely reactionary in the old sense would be superficial. It was self-preservative and inevitable. Though it included an element of determined repression, and in the end will doubtless become an evil in its turn as the selfish instrument of the cruder nationalism of the capitalist and military classes, it must rather be judged up to the present as a reassuring proof of the capacity of western societies to save themselves from anarchy. This is the index indeed of a higher and stronger civilisation by comparison with the Soviet State. The spirit of counter-revolution, roused by the Communist peril, has built up all across Europe a dam of concrete against the Bolshevik flood threatening a few years before to sweep all before it. Lenin, Trotsky, and their colleagues, in the end, were more likely to be the authors of a world-reaction — in the sense just defined — than of their world-revolution. If mankind in the mass, wherever tolerably educated, must choose with open eyes between anarchy and order, they will choose order even at any temporary cost to liberty itself. This is a vivid and familiar lesson of universal history.

We have seen how the end of the war and the break-up of the old order in a tumult of wild change, were accompanied by impoverishment, dislocation of trade, searching bereavement, fevered visions and immeasurable fears; with endless questioning of all the principles whereon human society had been founded. In these circumstances Lenin and the Bolshevik junta were confident that they would sweep the earth — at least outside America — by a Red movement more rapid than anything known since the spread of Islam after Mahomet. Their miscalculation was as profound in external politics as in internal economics, but at first many signs were in their favour. In France, indeed, authority was never shaken. It was soon established with rather more difficulty in Great Britain where strikers were menacing and socialism rife; the miners in particular having made a distinct attempt to

master the State by withholding fuel from the general community. The nations nearest Russia could only save themselves by the more drastic method of organised counter-revolution. Little Finland led the way, where General Mannerheim raised over 100,000 White Guards to maintain the existing social order. Next, Hungary, as we have seen, trampled out the Communist terror. The German Republic put down the Spartacists.

Italy seemed in graver danger. Privation in town and country was acute. Even during the war, anti-patriotic propaganda had done more mischief than anywhere out of Russia. The northern provinces seethed, in the cities, with extreme socialism, openly proclaiming Lenin as its apostle and his methods as true doctrine. There was wide agrarian discontent amongst the peasants. As against this, successive Governments were feeble. The Nationalist classes were deeply dissatisfied with the results of the war. They thought Vittorio Veneto the most brilliant battle gained by any people; and that they had been cheated by America, Britain and France, of that mastery of Fiume, Dalmatia, and the whole Adriatic on which they had fixed their dreams. The excitable Latin atmosphere was charged with thunder. D'Annunzio's descent on Fiume was but one of the lightning flashes of the general temperament, but it increased the electrical tension on all sides.

Through 1919 and 1920 the issue of the social struggle was still in doubt. Demanding more control in the management of industry and more wages for less work — like the first Bolshevik phase in Russia — the Italian proletariat flamed into violence. With repeated strikes attempting to paralyse the public services, there were riots, murder, burning and pillage. There was resistance from the first. It increased until the real state of the more disturbed cities was sporadic civil war with savage reprisals for Communist outrage. The Socialists, in spite of their divisions, won a big success in the elections of November, 1919. When Parliament was opened by the King in December, their party left the Chamber of Deputies, crying, "Long live Socialism." At the end of 1919, a year after the war, their confidence was at its height. But their sure death-blow was prepared. The counter-revolution for public safety, patriotism and avowed Imperialism had found its man, and was ready to strike blow after blow. In the next two years of furious strife, the power of Bolshevism in Italy was totally destroyed, and by that example in the sequel the anti-Bolshevik bias of Europe as a whole was determined.

MUSSOLINI AND LENIN — THE HAMMER OF ANARCHY — CIVIL WAR OF RED AND BLACKS — TRIUMPH OF FASCISMO

The man was Mussolini, now famous but still incalculable. He began as a Socialist, just as Napoleon began as a Jacobin, Strafford as a Parliament-man, and Voltaire as a pupil of the Jesuits. Lenin, the dictator of the proletariat, was born a noble; Benito Mussolini, the dictator of Nationalism, restorer of order, leader of patriotic enthusiasm and militarism, of capitalism and aristocracy, was born a blacksmith's son. When very young he obtained the diploma of an elementary schoolmaster, then settled in Switzerland, where he became saturated with thoroughly Germanic ideas of organisation and realism. He preached Marxian doctrine until expelled as a dangerous extremist from Swiss territory. Returning to Italy, he became director of the chief Socialist newspaper, *Avanti*. When the world-crisis came he broke with his party, and threw himself into the patriotic cause. The course of the struggle transformed his views. He founded the *Popolo d'Italia*, gaining a mighty influence. Its words were battles. Here, in a time of confusion,

amidst the weltering helplessness of public authority, was a man who knew his mind. As writer and speaker, his style had nothing in common with florid rhetoric or windy declamation. He had a bolt-like force. Above all, as a man of action, he was decision and resolution incarnate; as an organiser, he could inspire sacrificial devotion and yet create an iron discipline. Audacious and prompt as Garibaldi, he had far more brain. Filled with scathing contempt for the prevailing politicians and for all common phrase-making, he abhorred the spectacle of Bolshevik aggression, social disintegration, and national weakness. While his ideal was a worship of Italy surpassing the love of woman, his method was inspired by a belief in "sacred egotism," personal as well as public. He was very capable, with all his elemental passion, of a strong check on impulse. Whether his brain would not be overpowered in the end by some volcanic impulse was obviously the question suggested by all his psychological indications and by his countenance. This is the man who swiftly became the hammer of anarchy and then aspired to be the regenerator of his nation.

Mussolini founded the first Fascist companies, or "fighting bands" of social order, in March, 1919. Soon battalions of his black-shirts were formed all over Italy. Men of all sorts and conditions crowded to his banner — soldiers, from generals to privates, professors and students, capitalists and labourers. From the broken ranks of socialism itself masses of adherents rallied to Mussolini. And above all, it was a movement of belligerent youth. They all obeyed his marching orders. He preached reprisals without truce or mercy, until the Red terrorists were beaten to the ground by a more ruthless and competent terror. The Fascist cause in its turn was stained by bloody excesses. In its dispersed way, this civil war — for it was nothing less — was as fierce as the old vendetta of Guelphs and Ghibellines. In the end of it, Bolshevism was stamped out from one end of Italy to the other.

The rest must be quickly told. Through 1920 the public disorders raged with virulence. The citizens' movement showed a steadily growing power to defeat strikes and carry on the public services. The back of Bolshevism was broken at last by the crises of that autumn. In the middle of September, the disputes between capital and labour in the iron and steel trades of Lombardy and Piedmont came to a struggle for life and death. The federated employers declared a lock-out. But in Milan and Turin and other places, the workmen seized the factories, defended their possession by Red Guards, and imagined that the reign of practical Communism as in Russia, had begun. In a few weeks the attempt proved a fiasco. The workers not only found that without the former managers and experts, they could not carry on the higher processes of manufacture, but that without the credit which no one would give them, they could not even get raw materials. The works, when taken over again by the employers, were in a vile state of dirt and disorder. The Government had been almost passive, and even announced measures for introducing an element of Socialist control into factory management. Both the attitude of the Government and the disillusionment of the workers gave an immense impetus to the anti-Bolshevik forces, and to the demand for a stronger Ministerial *régime*.

All this played into Mussolini's hands, though in the fight for the factories he had reserved himself with the shrewdest judgment. Immediately afterwards he seized a better opportunity to move, and then rained destruction on the Reds. This beginning of the end came at Bologna. That city, in October, 1920, became a cock-pit of class-war. The anarchists had already committed several murders when on November 21, Giordani, a disabled officer, one of the constitutional members of the City Council, was shot in the Municipal Hall by hired assassins. The hour had struck. Mussolini

was sure of the irresistible support of national opinion. At his signal the Fascisti threw themselves upon the followers of Lenin in a hundred cities of Italy, and did their work once for all. Extremist leaders who cared to keep their lives had to fly for them or to seek more ignominiously the police protection of *bourgeois* society. In a few months the Bolshevik movement was broken down as thoroughly in the country as in the towns. The whole Socialist movement split to pieces. Throughout 1921, Fascism on a running tide of triumph became the national movement of the Italian people, and Bolshevism was annihilated.

But this was only the negative part of the task. Signor Mussolini and his black-shirts had levelled the ground, as it were, but their next purpose was structural. Aiming at the reorganisation of Greater Italy on new principles of Cæsarian authority and vigour, they were the sworn enemies of the existing parliamentary system. They were resolved to sweep it out. Successive Governments since the war made a general impression of mingled opportunism and impotence. The Fascisti accused them of hopeless administrative ineptitude, especially in finance, as well as of fateful subserviency to Socialist demands and Labour exactions.

1922 — THE FASCIST COUP D'ÉTAT — MUSSOLINI DICTATOR OF ITALY — A NEW IMPERIALISM — THE CORFU CRISIS AND THE LEAGUE OF NATIONS

In October, 1922, this new phase of the Italian drama came to its climax. Calling a Congress at Naples, Mussolini, parading 40,000 men in military formation, summoned the Ministry to resign; and next his manifesto to the nation proclaimed "the impending march of the Fascisti on Rome in order to cut the Gordian knot and hand over to the King and army a renewed Italy." The last Government of the old discredited type sought to declare martial law. King Victor refused. He knew that they had no sure public force of any kind behind them, and that their feeble challenge of civil war must be instantly annulled. Signor Mussolini was summoned by the Sovereign to Rome; and on the night of October 30, the blacksmith's son, at the age of 39, became not merely Prime Minister of Greater Italy but absolute Dictator like a new Napoleon.

Calling the Houses of Parliament together, he addressed the Senate with respect, but he scourged the more popular Chamber in terms of peremptory rebuke and menace, unmatched since Cromwell. He told the Deputies, in effect, that they must entrust him with full powers as Dictator, or disappear. Preferring not to disappear, they granted full powers as demanded up to December 31, 1923.

Nothing at present suggests that the period will not be indefinitely extended. After so many violent declarations, Signor Mussolini showed in many ways unexpected moderation and sobriety in internal affairs. By various means he broadened his basis of support. He respected religion, but put the army first. A ruthless public economist, his axe swung right and left against wasteful abuses. He did not shrink from such reductions in the over-staffed public services as no ordinary Parliamentary Minister, playing for votes at elections, would have dared to undertake. A strong foreign policy, however, had been his chief purpose, as that of his followers, after the overthrow of Bolshevism. Their dearest wish was to assert — in the Roman temper of which they conceived themselves the heirs — the increased status and power of Greater Italy. In this sphere the Dictator for some time reserved his action while strengthening his means. At the end of August, 1923, he suddenly startled the world by a first thunderbolt which

seems unlikely to be the last. General Tellini and all the other Italian members of an International Boundary Commission were massacred on the frontier where Albania marches with northern Greece. Signor Mussolini at once launched upon Athens an ultimatum of a kind without parallel, with the sole exception of the Austrian ultimatum to Serbia, which precipitated the World War. When the Greeks demurred from the harsher terms of abasement, Signor Mussolini seized the island of Corfu, and an Italian squadron bombarded the town of that name without warning, killing 20 innocent persons. The League of Nations had not ventured to interfere in bigger matters, involving still more loss of life, but now attempted with hasty procedure to apply to Italy the excellent moral rules which it had not ventured to urge as against France or Poland. Mussolini instantly defied the League and threatened to leave it. He meant what he said, and all Italy was behind him. Never had his influence over the nation been so complete. The crisis had to be composed, not by the League but by an Ambassadors' Conference of the Powers, as in pre-war days. It was arranged that Corfu would be speedily evacuated after Greece had been compelled to pay a swinging indemnity, to do obeisance to the Italian flag, and to make other humble amends.

The Dictator had made it plain once for all that the Italy of Mussolini would accept no rule not equally applied to any other Great Power, and in any case would be difficult to restrain in the Adriatic. His next purpose was to secure that virtually complete Italian control of Fiume, as well as Trieste, which President Wilson had prevented. He hoped to obtain this end by negotiation. Evidently the Balkan question which precipitated the World War was by no means settled by it. It was as clear that another stroke of force like the Corfu *coup* would be almost certainly fatal to the peace of eastern Europe. Mussolini, in the spirit of one of his own wisest utterances, had felt "the sense of limits." But the restraint of this powerful personality, glowing even when compressed, would depend upon circumstances. His hostility to the traditional naval power of Britain in the Mediterranean was somewhat manifest. The cloud on the Mediterranean horizon was as yet no bigger than a man's hand, but henceforth it was there. Although Paris had supported Rome for the moment, owing to simultaneous complications of the German problem, the real effect of these events in the autumn of 1923 was to draw France and Britain nearer together. They had been sorely divided. Britain had pressed for a more moderate policy towards Germany. Signor Mussolini had made it evident that unless an efficient Anglo-French partnership could be restored by some good working compromise, no real guarantee for the stability and peace of Europe would remain.

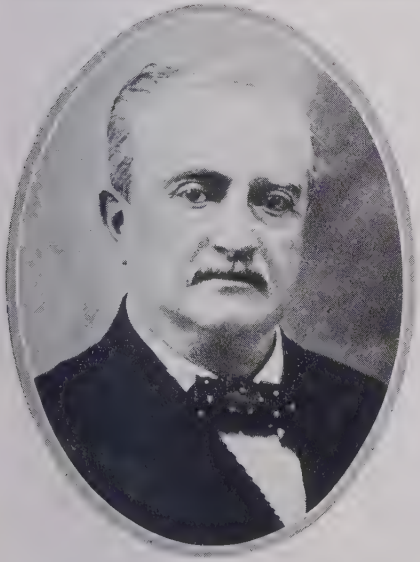
POWER OF FASCIST EXAMPLE — SPAIN FOLLOWS — HUNGARY, GERMANY, IRELAND

Everywhere in Europe, however, Fascism had become prevalent where Bolshevism or any other subversive influence was threatening. Italy for the time was unquestionably stronger and sounder under Mussolini. In Germany his movement was copied, and still more generally in Hungary. In Bavaria, the Fascist crusade was garish and loud under its Tyrolese commander, Adolf Hitler. Greece was governed by a military junta. Bulgaria, after the murder of the peasant Premier, Stambulisky, was ruled by arms alone. The Irish Free State was no less ruled in an essentially Fascist spirit, and its Government, after fighting down open anarchy, continued for some time further to keep under lock and key the elected leaders of the



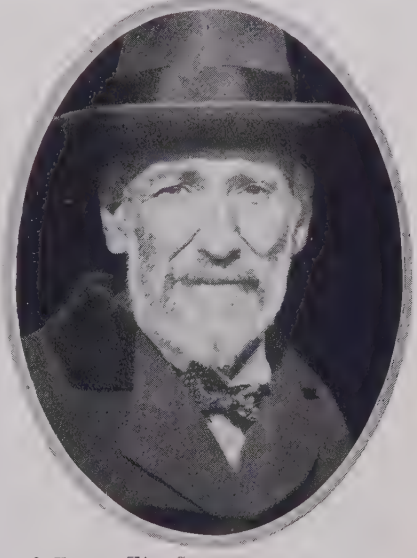
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The home of Sir Horace Plunkett at Kilteeragh a blazing ruin; the destruction of this house was only one of many tragic incidents in the warfare between conflicting parties and interests in Ireland.



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John Redmond, long the leader of the Irish Home Rule party in the House of Commons.



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Sir Horace Plunkett, the famous Irish statesman, who writes the chapter on Ireland in these volumes.

Republican opposition. Other countries were ready to resort to the same means in case of social danger.

In Spain, where the parliamentary system was the most lethargic and incapable in Europe, the Italian example seemed irresistibly appropriate. Accordingly in September, 1923, General Primo de Rivera, an honest soldier but an amateur statesman, drove out the politicians as by the flat of the sword, placed the whole Government and administration of the country under military control, and proclaimed a *régime* of universal rectitude and obedience. Devoid of popular preparation, and without the touch of racial genius which had marked Mussolini's crusade, the Spanish *coup d'état* seemed quite unlikely to achieve anything like similar success, and rather apt to stimulate all the revolutionary forces which the great Italian movement had suppressed.

The spirit represented by Mussolini has been unquestionably a steadying and even a saving influence in Europe as against the spirit represented by Lenin and Trotsky during the Russian terror and the propaganda of world-revolution. The counter-revolution, in its turn, will be carried to exaggerated lengths, and the next few years will see a revulsion. Russia, on the contrary, promises to become soundly based like France after 1789, on the widest system of private property in land. It is no paradox to say that reformed Bolshevism will be accepted as respectable when corrupted Fascism is becoming discredited. In any case, this wide and various struggle between communism and nationalism, anarchy and order, liberty and dictatorship, has been the most significant event of our generation next to the war itself. The effect upon the future of political thought and action will go deep and far.

THE DOMINATING CONFLICT IN EUROPE — FRANCE AND GERMANY — THE REPARATIONS CRISIS — THE FINANCIAL CRASH IN GERMANY — FRANCE REJECTS BRITISH MEDIATION — M. POINCARÉ AND PAYMENT BY FORCE

Through the events of a generation, we have now followed the unfolding of a drama of the world such as no single generation ever saw before and perhaps no single century. We come to the last scene and the last record before we seek to project our thoughts into the future. In 1923 all other questions were overshadowed by the deepening tragedy of the Franco-German conflict, when the Reich in effect was conquered and prostrated a second time by force of arms applied to the most vital region of its life.

After the disastrous fiasco of the Conference of Nations at Genoa, when M. Poincaré's veto upon the discussion of Reparations in the widest spirit was vigorously enforced, the sequel developed as foreseen. It was as though some sinister and resistless fatalism had taken charge of the affairs of men. At Genoa, Rathenau had climbed wearily up the vine-clad hill endeavouring to explain once more to the Allied Olympians, in their gleaming villa on the top, that Germany was now being carried rapidly towards the financial abyss. Partly, he was not heeded, partly not believed. Refusing to confess the magnitude of Germany's own folly in fumbling with her unescapable problem of payment and allowing inflation to pass beyond control, he was still possessed by impracticable dreams of solution by means of other peoples' money, in the shape of an immense international loan. No sign came from the Allies, none from America; and his sense of the loneliness of a fallen nation was iron in his soul. A few weeks later this great lover of his country was shot in front of his own house by crazy patriotards who only saw in him the Jew.

At once the crash of the mark came as he had predicted. That unit,

following the Russian ruble, whirled downwards to its doom, and the time was coming when no man would give or get a dollar for a cartload of paper notes. Two sentences in illustration must suffice. In 1921 Reichsbank notes in circulation were rather under 114,000,000,000 marks. In 1922 inflation had swollen the issue more than ten-fold and it reached nearly 1,300,000,000.000 marks. As a result, while 100 marks were still worth about half a dollar at the outset of 1922, they were not worth much more than a cent at the end of it; and that was only a beginning by comparison with the further plunge to extinction. It was the dance of death in currency. The total Reichsbank issue was inflated more and still more up to figures too astronomical to quote. While before the war four marks were worth about a dollar, after the middle of September, 1923, the point was reached where 4,000,000 marks were only worth a cent. Prices accordingly shot up to more and more fantastic heights, and while working-class wages could not keep pace, gross and petty extortion by sellers still came to its own. Annihilation of the financial means of resistance was as complete as annihilation of the military means by the Armistice of November, 1918. The inexorable result was a second capitulation of Germany to France five years after the first. This general view of the whole process will help us to understand the unparallelled political struggle which followed the first crash of the mark in the summer of 1922 after Rathenau's murder.

Six months before, Germany had begun to rouse French wrath by asking the Allies for leave to delay her payments. M. Poincaré soon threatened that France would widen her grip across the Rhine and seize the Ruhr basin, if there were any further default. Nevertheless, in July, 1922, the Germans pleaded inability, begging for time and some relief. In August an Allies' Conference met. M. Poincaré demanded that no moratorium should be granted to Germany without the seizure of such further assets on her soil as might either be held in pawn to ensure further redemption, or form in themselves " productive guarantees." The other Allies insisted that M. Poincaré's method would produce chaos, not cash. They made counter-proposals better designed, as they urged, to secure the cash and avoid the chaos. Their plan was as unacceptable to the determined French Premier as his to them. Conscious that he held the iron key of power behind this debate, M. Poincaré went back to Paris resolved in his own inner mind to complete the study of means for bringing the controversy to an issue by strength of hand.

THE NEO-NAPOLEONIC PROJECT

Alarm was soon excited in Germany and Great Britain alike by the revelation of the " Dariac report " — first unearthed by *The Manchester Guardian*. This was a secret memorandum drawn up by M. Dariac, President of the Financial Commission of the French Chamber. It recommended German dismemberment by the virtual separation of the Rhineland from the Reich, and the more prolonged control of the Rhine itself. M. Dariac, as we have since learned, was at the same time in favour — see his preface, dated October, 1922, to the formidable propagandist volume *La Ruhr et L'Allemagne* — of a further policy on the other side, the right bank of the Rhine, which would establish French industrial supremacy over the as yet unoccupied Ruhr basin, with its immense natural resources and manufacturing power, conveniently crowded into a small area. This must be made in order to bring about a combination between Westphalian metallurgical coke and Lorraine iron ore. These incomparable Lorraine deposits are the basis of the blast furnaces and great steel works controlled by the *Comité des Forges*.

This project meant the revival towards Germany of the policy of Louis XIV and Napoleon. By the end of September, 1922, the British Cabinet, as the result of its infatuated proceedings in the Near East, had come to stand within a hair's-breadth of war with the flushed Turks after the Greek débâcle. Britain for the time was totally isolated in foreign policy. At that moment, M. Poincaré took his set and fateful decision: in company with Belgium, now entirely bound to France, to advance on the further side of the Rhine and to occupy the Ruhr basin.

The intention was not yet avowed. Technical calculations in connection with the plan had to be worked out with care. Mr. Lloyd George and his Coalition Government had come to political bankruptcy, and they disappeared. Mr. Bonar Law, the new British Premier, was anxious for better relations with France, but it was too late to make any impression on Paris. He and other British statesmen were to learn more about the implacable fixity of the Latin mind when fairly set in the mould of a preconceived idea. In December there was another Allies' Conference in London. It failed as completely as its predecessor in August. M. Poincaré, however, now openly declared that German protests and promises were no longer worth discussing, and that no progress could be made without some measure like the occupation of the Ruhr. It was agreed to hold another meeting. The British Government did not yet understand. When discussions were resumed at the beginning of January, 1923, they represented that Germany was approaching collapse and could only pay after recovery. Mr. Bonar Law and his colleagues proposed to grant Germany a moratorium for four years, with exception of certain minimum deliveries in kind; to fix her debt finally at some reduced and payable figure; while compelling her meanwhile to stop inflation in order to stabilise both her Budget and the mark. To make these proposals acceptable, Britain offered to cancel out of hand three-fourths of the French debt, amounting to about £600,000,000. This was a large concession. French citizens, while far less taxed, are at least as prosperous, head for head, as British citizens; and the latter were unflinchingly arranging at this time to pay their own debt to the United States. It was in vain. The difference between the mentality of the two nations was a gulf. For nearly two years British Governments had been urging revision and reduction of the German liability. French Governments had as uniformly resisted, continuing to demand the impossible according to the abstract rights conferred by the ill-starred Treaty of Versailles. They knew the impossible to be so financially, but to keep up the extreme claim was a means to wield more political and military control. Now, at Paris, in the first days of 1923, the final British scheme was turned down without parley. It was not considered. This was the end of another chapter in post-war history. M. Poincaré had cast his die long before. Resolved on separate action at any risk, he had worked out the method. France had become, once more, so much the dominant power in Europe that, in fact, as her Premier knew, there was no risk. From disarmed Germany there was nothing to fear but passive resistance; from Britain, reluctant to break with France, nothing but passive disapproval.

FRANCE INVADES THE RUHR — THE CROWNING TRAGEDY OF THE PEACE — THE LONG GERMAN STRUGGLE — A HOPELESS EFFORT FOR EIGHT MONTHS — DEATH OF THE MARK — THE SECOND SURRENDER

The French army invaded Westphalia on January 11, 1923, and advanced on Essen, Dortmund, Bochum, and the rest. It was the beginning of a passage like nothing yet seen by modern civilisation in time of nominal peace.

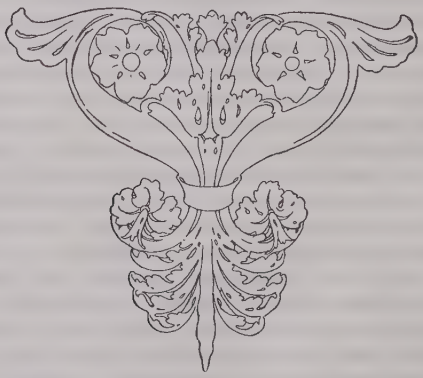
The columns of troops with their steel helmets, artillery, tanks, machine-guns, appeared amongst a working population trained as part of one of the greatest fighting nations ever known, but now disarmed, defenceless as helots. They knew that they had not been disarmed by France alone, but by the combined power of all the European Allies and America. The inexpressible bitterness of a new and unique hatred filled their veins. If they could not fight they would refuse to assist in their own subjugation. They would resist to the limit of endurance by such means as unweaponed men might use. It was expected in Paris, however, that success would be almost immediate, that the occupation of the Ruhr would mean in one fortnight the capitulation of the Reich. Prolonged refusal of submission seemed impossible. All mechanical calculations supported this view.

For was not the Ruhr like the neck of the whole German economic organism and the occupation like a throttle grip? Consider the nature and relations of this district. Marshal Foch had punned grimly: "*La Ruhr est une rue.*" The whole region with its swarming population of miners and mechanics, artisans and labourers of every calling, is one of the densest centres of industry in the world. Town is almost joined to town; many of them have grown with American rapidity. In the agricultural spaces left between, the fields are intensely cultivated. The main impression is that of a landscape packed with houses, factories, and forges, bristling with tall chimneys, looming with cylinders, clanging with machinery. The Ruhr area has the closest, most complex railway network in existence, requiring for efficiency with safety, the most exact handling. The neighbouring and dependent Rhine carries, moreover, in normal times, a larger volume of traffic than any one main railway track in Europe or the United States. Marching in, the French soldiers were almost appalled by the latent power which all this enormous apparatus suggested; but they were incensed by the evidences of full employment and confident enterprise, with new buildings going up on every side, and improvements of an already marvellous transport system in process of execution.

After the loss of the Saar and transfer of the industrial part of Upper Silesia to Poland, Germany's coal production was wholly staked on the Ruhr. There was no substitute. And here were concentrated the interests of the great industrialists — of Stinnes, of the Thyssens, Krupps, Haniels, Stumms, Mannesmanns, and the rest — the magnates and millionaires, more powerful than the German Government, who had maintained in their own interest a system of fatal finance and weak taxation, without regard to the obligations towards the Allies and partly with astute disregard. The Allies were mainly to blame at the beginning for demanding the impossible, France most at this date insisting upon the impossible and refusing sane revision in spite of the entreaties of Great Britain and Italy. But the great industrialists controlling the Ruhr syndicates had been flagrantly to blame. This essay, seeking in good faith to disentangle the truth, so far as yet may be, from all the difficulties of contemporary interpretation, is history, not polemics. French action was disastrous from the standpoint of every principle of political wisdom accepted by the English-speaking world. French official motives, so far as they were connected with Neo-Napoleonic projects of breaking up Germany, or with the ambition of the *Comité des Forges* to rivet a commercial domination upon the Ruhr and its people, cannot be defended. But to French national feeling as a whole, the prosperity and impunity of Germany, suggested by the spectacle of the Ruhr, the facts of inflation, the gross evasions of adequate taxation seemed a flaunting challenge and must be remembered as some excuse. In politics, as in *Othello,* passion and misleading appearances may be the soul of tragedy.

Despite the crushing weight of the French stroke, Germany under Dr. Cuno's Government gathered itself together for a desperate fight. It was a hopeless fight, but they stood it out far longer than anyone outside Germany had thought possible. The struggle so far from being over in a week, as M. Poincaré and his advisers thought they had every reason to reckon, lasted for eight months and was by far the most remarkable effort of resistance ever made by a people without arms. The German Government proclaimed passive resistance in the Ruhr and forbade all coöperation with the invaders. The population of the Ruhr, well known for its stubborn temper, was not only quick to respond but anticipated the order. Even if left to itself, it would have resorted to every safe means of sullen obstruction and evasion. The directors and experts of the great syndicates withdrew their books and their services. Even the Socialist workers made common cause with their employers. The French were in a situation where they could not retreat, and the invasion, at first meant to be a parade, had to become an elaborate and grinding tyranny such as Alsace-Lorraine under the Hohenzollerns or Venetia under the Habsburgs had never known. Bullet, butt-end, and bayonet-point were the only possible instruments of this experiment. There was necessarily a certain amount of shooting with a considerable number of deaths and woundings, some of them amongst the French. These victims on both sides were human counters — ordinary persons in uniform and out of it, who had no responsibility in the great game of things. Nearly five years after the Armistice, Cowper's little heroine might more than ever wonder "what they killed each other for." Meanwhile, the ex-Kaiser himself was in ease at Amerongen and renewing matrimonial bliss. If deaths and woundings were on the whole reasonably limited in the Ruhr, other punishments were wholesale amongst the foolish population that could not bring itself at once to kiss the bayonet. There were fines, imprisonments, and expulsions for high and low. Freedom of speech and of the Press ceased to exist. Under the French censorship, newspapers disappeared or became colourless catalogues of the more inoffensive facts. Hohenzollernism, speaking French like Frederick the Great, had returned in a *kepi* instead of a *pickelhaube*. We need not prolong this miserable story. The German Government imported coal. The printing-press poured out more billions of marks to sustain the Ruhr, though this process could only mean accumulation of paper to the destruction of money. All these things as regarded M. Poincaré were dewdrops on adamant. He demanded unconditional surrender, the abandonment of passive resistance without stipulation. There was a solid France behind him. By now the *Comité des Forges*, and other practical persons of business, were sick of the senseless position they had lightly created. Though the pressure on Germany was excruciating, France was not scathless. Coal deliveries from the Ruhr were but a fraction of what they had been before the occupation, and numbers of the blast furnaces in Lorraine had to be blown out. At last in June, the Cuno Government, which had long been ready for any terms which would save the stability of the country and keep the Ruhr part of the Reich, offered to accept the decision of any body of international experts as to what Germany ought to pay and how. On this, the British Government took up the matter once more with France and urged that the German offer of absolute submission to impartial enquiry should be taken as a preliminary of peace. This new controversy dragged on for months; once more the *Entente* was strained to the utmost short of the breaking-point. M. Poincaré, sure of the nearer issue on which he had staked his whole political position, refused to accept any mediation on the part of Great Britain. He was immovable in his resolve that Germany, like Paris aforetime, must stew in its own juice until unconditional surrender was made.

By the end of the summer of 1923, Germany was at her last gasp and the Ruhr a wilderness by comparison with what it had been. The metals of what had been the busiest railway mesh in the world were like dead bones. The numberless chimneys had ceased to smoke and the endless machinery to run. The telephone system was paralysed. The streets were dark at night. In unoccupied Germany the mass of unemployment threatened for the first time to rise to a million of the workless and thus to approach British proportions. The situation recalled Swift's picture of the struggle between ten men armed and one man in his shirt. Just after the middle of September the mark had been finally reduced to the worthlessness of the ruble, and its coming abandonment as legal tender was announced. German finance was seeking to think out some new instrument of currency. The Ruhr struggle was coming to an end. The end could only be the unconditional surrender which M. Poincaré had demanded. The French Premier, himself a man of the frontier steeped in the old wrath after 1871, was an unquenched hater, nor with all his rare ability and courage did he possess amongst his gifts either flexibility or magnanimity.



CHAPTER IV

HISTORY OF OUR OWN TIMES — *Continued*

By J. L. Garvin

Present and Future

FRANCE AND GERMANY — AFTER THE RUHR STRUGGLE — THE FEUD OF A THOUSAND YEARS MORE VIRULENT — THE REPARATIONS PROBLEM — LORRAINE IRON AND WESTPHALIAN COKE — NAPOLEONIC INDUSTRIALISM AND A SUPER-SYNDICATE.

When M. Poincaré, at the end of September, 1923, had conquered the Ruhr, twelve months after the irrevocable decision to invade, what would he do with it? That was the crucial question for the future of Europe and probably the world. On the answer would depend the relations of France and the British Empire; the prospects of the League of Nations and all other plans to substitute judicial processes for the arbitrament of force; the ultimate fate of peace. The French army was more exempt from any counter-force or check, military or naval, than in the time of Napoleon. Equipped with the strongest air-power existing, able to double its strength by coloured levies from across the Mediterranean, it was guarded at sea by increasing flotillas of submarines. This splendid machine, more supreme in relation to present European circumstances than Hohenzollern might had ever been, held Germany in its grasp. Would M. Poincaré allow a stable *régime* to be created there? Or would he take the course — and it was well in his power — which would promote chaos, the dismemberment of Germany by the virtual separation of the Rhineland, and the temporary disintegration of the rest of the Reich? No choice more heavily fraught with alternatives of good or evil ever weighed upon the responsibility of man.

The first problem of Paris was financial. For the moment, after the German surrender, the means employed in the Ruhr had necessarily destroyed the avowed object. Germany as a whole would have to be granted a moratorium, and, as the British had always urged, it would be several years before cash payments to any considerable amount could be resumed. Yet the agricultural mass of the French people wanted above all to see a palpable result in coin; they were more interested in that aspect than in Marshal Foch's demand for a permanent Rhine frontier, or in the various theories of German vivisection meditated by the pupils of Richelieu at the Quai d'Orsay. This might seem, for M. Poincaré, an acute dilemma. It was his ambition to make the elections of May, 1924, in his character of the strongest statesman of the time, and thereafter to remain Prime Minister for a longer period than any of his predecessors since the foundation of the Third Republic. Crowned with laurels, but with empty hands, he could not, with any hope, present himself to the rural electors. Still less could he venture to propose, before being returned to power, the more rigorous taxation which the French Budget, no less than the German, imperatively requires. For escaping the dilemma there were three suggestions. The first was to dictate, in conjunction with

Britain, a settlement with Germany in general, based on participation in the profits of German concerns and enterprises as well as upon export taxes. The second was to obtain cash in hand by a loan on the London money market capitalising Germany's promise to pay. This did not promise well. For one thing, it would involve some serious effort on the part of France towards redeeming her war debt to Great Britain. A third course, maintained by its advocates to be the decisive plan, was regarded by strong influences in Paris as the sure sequel. The resources of the Ruhr intensively treated would be operated upon as a substitute for the resources of the Reich. In that region, the French occupation would become invisible in the military sense, though Marshal Foch would keep a striking force in the near neighbourhood for instant use in emergency. French financial occupation would remain as the real "productive guarantee." It would be a system not only of vigilant supervision but of searching control. There would be a coal tax; not a single ton would be able to leave the Ruhr without contributing its item to Reparations; and there would be a similar levy on all other exports whether to the rest of the Reich or abroad. Free coal deliveries to France would be simultaneously resumed as Reparations in kind. Subject to these provisions, industrial enterprise in the Ruhr would be given every facility to return to active production. This would enable M. Poincaré to tell the French electorate in view of May, 1924, that he had returned to them from the Ruhr ordeal, bringing his sheaves with him.

No serious thinker could suppose that this plan by itself would succeed. It would clog and depress the vigorous spirit of German enterprise. The sense of economic serfdom would mean an everlasting obstinacy of under-effort on the part of the workers. More than ever they would resist reduction of wages and extension of hours. Their antagonism to capital would be doubled by hatred of the French. They might be slaves, but they would not be willing slaves. The employers could have no zest in working the system. It would be the instinct and the interest of every kind of human nature in the Ruhr gradually to make the results disappointing to the French in the hope of terminating their financial as well as their military occupation. For the same purpose, the obvious course for the rest of Germany would be to buy as little as possible from the Ruhr. Again, how could the projected French system be worked at all without either severing the administration of the Ruhr from that of the Reich, or attempting a dual *régime* which would be an execrable hybrid? The French in any case would have to be masters in the Westphalian coal-field as in the Rhineland. The system would mean further dismemberment and could not mean anything else. After the May elections of 1924, France would discover that this plan also was more Dead-Sea fruit.

It was therefore as near to certainty as probability can ever reach that behind the screen of temporary methods, the substantial intention was to compel the Ruhr syndicates to link up with the *Comité des Forges,* and thus to create a coal and iron combination the most powerful in the world for exporting purposes. The French State would doubtless have a special interest in the profits. Indirectly the promotion of the prosperity of Lorraine, as of all the metallurgical interests of the Third Republic, and of its manufacturing power generally, would in any case be worth more than direct Reparations. In return for such an arrangement, the Ruhr might presently be returned to the Reich. Milder terms of final payment might then be granted and willingly accepted by Germany as a whole.

The flaws in this reasoning also are perceptible. A Franco-German super-syndicate of this magnitude could not be within itself a happy family. There would be an everlasting incompatibility of temperaments as well as of both

private and patriotic interests. The German side would have to pay the highest price for its ore and would get the lowest price for its coal. The stipulated French predominance would only mean, for the most vital industries of the Reich, another form of economic subjection. These terms alone would not be enough to make it a German interest that the super-syndicate should work well. This issue, in fact, like every other in connection with the Poincaré-Foch policy of "Reparations and Security," brings us to the crux of the Franco-German problem. France can never obtain firm German co-operation, nor change the cumulative hatred she has inspired, until she abandons Marshal Foch's conception of a military frontier drawn through the body of the Reich; accepts the German right to national unity as no less sacred, inalienable, than her own; retires from the Rhineland as well as from the Ruhr; and consents to the complete liberation of German soil. But this would mean permitting the full recovery of the Reich, and there is nothing that the Third Republic so much dreads. Under M. Poincaré it has given itself reason for dread. The gaping wounds of the war itself might have been healed by wiser treatment at the Peace Conference; even the historic antagonism between Gaul and Teuton for a thousand years might have been closed had moderation, and even a certain clemency, been shown to the German Republic after the Hohenzollern system had been swept away. But at the end of 1923, the more ominous doubt that shadowed all thought about the future was whether the invaders of the Ruhr, by trampling Germany after her disarmament, had not gone too far to be forgiven in this generation or the next. The slow unresting wheel of change in mortal things gives to every great virile people, brought low by defeat, its chance again. In vain at the utmost height of triumph are men heedless of these wheels of God.

FRENCH SECURITY AND GERMAN UNITY — THE "FATHERLAND" — THE TERRITORIAL PROBLEM AS THE CRUX

Thus we are only brought by the first problem to the second. The financial question is inseparable from the territorial question. If any just and manageable total for Reparations were finally fixed, Germany would pay like France after 1871, if offered the same inducement. The German people would pay for the complete deliverance of German land if that purpose could with certainty be achieved within such a reasonable period as might energise ordinary men and women to strive towards an attainable goal. The cause that will never die out is the recovery of the Rhineland and the Saar, as no less than the Ruhr itself, flesh of the flesh and bone of the bone of historic Germany. This question is what that of Alsace-Lorraine was before the war, but far bigger. If the German people could be sure of redeeming their provinces in bondage within five or seven years, or even ten, from now, they would offer large inducements to Paris. The chances of permanent peace and of the reintegration of Europe on a normal basis would be incalculably improved.

If Paris, however, continues to insist that the 15 years' term for the occupation of the Rhine, as sanctioned by the Treaty of Versailles, has not yet begun to run, and that she will keep the Rhineland and the Saar valley up to about 1940 at least, even if she evacuates the Ruhr, then France must be prepared for several things. First, no other great nation on earth will help her in such a purpose, and an increasing number of great nations will condemn it. Secondly, after a certain number of annual instalments of the great tribute, however levied, the crisis on Reparations will recur when France is unlikely to be as entirely dominant as in 1923; for that particular position must pass, however strong and brilliant France may remain as a nation

amongst her peers. Thirdly, the German revolt, the new *Befreiungskrieg*, would break out long before 1940. The Richelieu tradition, however, saturates the Quai d'Orsay and most of the French politicians outside it who count in the leadership of opinion on foreign policy. It is, unfortunately, not certain that France will consent on any terms to retirement from the Rhine and complete deliverance of German land within five or seven or ten years. If so, the breaking of the French yoke will become, before this post-war generation is very much older, the cause of causes for which men in Germany, and women too, will consent to be burnt at the stake. The heart of life is grim in these matters. If we all have not learned that from the World War, we have learned little. The general world will not be able to leave this issue to be settled by France alone in the sense of the prevailing schools deriving from Richelieu or Napoleon. To leave it at that would be too dangerous, as we shall next see, for all civilisation.

The one overshadowing question is whether the Fatherland — not a word of mockery for any lover of music, literature and science, for any lover of civilisation — is to be vivisected or not. Is German unity, like that of any other nation, to be recognised and upheld according to the principles that all the English-speaking peoples fight for? Or is Germany to be broken up, even temporarily, into three or four different regions, partly free, partly subject? After the Thirty Years' War, the final result of Richelieu's masterly statecraft, though he was dead, had helped to shatter the country into more than three hundred pieces, big and little. To-day the fragments, resulting from a break-up would be larger, but the spirit of disintegration would be the same, and as immoral as the third partition of Poland. As the power of Britain and America disarmed this Fatherland — a republic now, and no longer a military empire — and left it wholly unable to protect herself, it is entitled to some minimum of impartial protection from the English-speaking nations. It must, in the nature of things, be long before France herself will be willing to move in this great matter in accordance with general principles of political justice and humane wisdom. Success is the tempter, and the Third Republic, under the mingled influences of triumph and fear, is more tempted now than was her conquering rival in 1871. Every German step towards full unity was resisted by France; no student of history can expect the habit to change until the moral disapproval of the world makes itself gravely and steadily felt. After a while, that would be enough. France, which knows so well how to make herself a favourite nation, does not like to be unpopular; and for various reasons, increasing in seriousness, despite passing appearances, cannot afford to be so. The Separatist movement in the Rhineland is a purely artificial creation, and without French encouragement, sedulously given though not formally avowed, would not have the shadow of a chance.

FASCISM AND BOLSHEVISM IN GERMANY

The Ruhr surrender left unoccupied Germany in a hazardous and desperate position, where to save herself was not easy. The subversive elements of the Left and the Right alike were raising their hands again to threaten the moderate republic with overthrow. To preserve the economic existence of the nation at all without the full control of the Ruhr, would be a heavy task. With unemployment spreading and the winter approaching, the Communist apostles of chaos saw in the turmoil of the Reich, the last hope for Bolshevism in Europe.

None the less, the fortunes of the Reich threatened to pass into the hands of the Right whether by *coup d'état* or otherwise. One thing was cer-

tain — German unity might suffer passing interruption, but could not be destroyed. France might as well hope to "kill the still-closing waters" by stabbing them. Young men of liberal mind by temperament and heredity, who would have been active opponents of the Right in ordinary times, were heart and soul with it on patriotic grounds, believing it to offer the sole hope for Germany's unity and greatness. Looking ahead, they anticipated with good reason the reëxplosion of eastern Europe, within the next few years; and they thought, though this sequel might not be seen for a generation, that the Russian and the German races with the Magyars — over 200,000,000 of people together — would yet destroy the Treaty of Versailles and redeem all. It had taken France 50 years to reverse 1870–1871. It would probably not take Germany so long to reverse the results of 1918–1919. These, after the second surrender in the autumn of 1923, were not only the calculations of what was strongest in Germany, but they were the conception of the future to which most of what was best in Germany had been driven. That no other resort but this should be left to the German race, after its disarmament by the power of the United States and Britain as well as France, could not be thought promising for the prospects of civilisation, nor favourable to the confident spirit and restful conscience of mankind.

A WORLD'S AFFAIR — THE ECONOMIC EFFECT ON ALL NATIONS

The truth issuing from this investigation is that no solution of the Franco-German struggle can ever be brought about by peaceful means without the intervention of other nations. It is the world's affair. It prevents that general, not one-sided, disarmament which the Allies and their Associate solemnly declared must be the result of the war. The continuance and new virulence of this secular feud prevents the return of the world's quiet. By far-reaching consequences transmitted from nation to nation, it stimulates all violent and cynical tendencies. It vitiates more or less the moral and mental atmosphere everywhere in the twentieth century. Materially, this problem prevents the full revival of human prosperity by world-production and world-traffic aided by stabilised currencies and exchanges. Before the war, the two great consumers of overseas produce — American, Asiatic, African, Australian — were the dense industrial democracies of Great Britain and Germany. Germany, enriching by her demand the countries supplying food and raw materials, made a better market for other manufacturing nations as well as herself to sell in. Britain gained by it. The United States gained by it. There is no substitute for it. There is not a farmer in the Middle West, there is not a coffee-grower in Brazil nor a rancher in the Argentine, there is not a wool-grower in Australia, but whether he knows it or not, is receiving lower prices for his products because of present conditions. They hinder that vigorous interplay of mutually stimulating influences which is the very life of international commerce. Europe contains over 400,000,000 people. Their far heavier consuming power in proportion is a characteristic of the white race by comparison with all the coloured races; but Europe's enormous consuming power will remain far less than what it was, and but half what it might be, so long as those political perils and those economic disablements are continued which follow far and wide from the present state of the Franco-German struggle.

FRENCH SUPREMACY AND BRITISH DEPRESSION — AIR-POWER VERSUS SEA-POWER — UNEMPLOYMENT AND ARMAMENTS

The case of Britain in this regard is severe. Politically, her position is irksome and thankless; economically, it is worse. She has sacrificed her internal agriculture utterly for the sake of manufacturing development. She is less based upon the home market, more staked upon exports and imports, than any other society existing or likely to exist. Her people depend absolutely for livelihood and progress upon the prevalence of normal conditions in the world. She has a million and a half of her workers out of employment, supported by public funds, and with this unexampled depression of trade she bears a load of taxation which would be an unparallelled burden even if her commercial prosperity were at its zenith. In an economic sense, the war was a disaster for Britain, as much as for Germany. Before the war, British trade with the continent of Europe was so large a part of the whole that it was indispensable for the full employment of the island-democracy. These conditions make it imperatively necessary for Cabinets in London to work for stabilising Europe; to press for the reduction and final fixation of Germany's liabilities; to try to moderate French counsels. Nor are the reasons for this course economic only. The British, though of notable obstinacy in a quarrel, are done with it when it is over, and are ready to make friends. They lack, even to obtuseness, the vindictive part of historical memory. All that impartial experts might determine to be just and practicable as regards Reparations they want Germany to pay, and even mean to see that she does. But, they believe that the German nation is as much entitled to its unity as any other nation. They do not want to break up Germany. The British working-classes have no appetite whatever for holding down the German working-classes. Britain genuinely thought that France would be content with Alsace-Lorraine and never dreamed that old Bourbon and Napoleonic claims to the Rhine as a frontier would be revived. Generally the difference of mentality in politics and economics alike is so wide, as between France and Britain, that no two nations existing are more nearly antithetical. The island, taking divergence of opinion and interest as natural though disagreeable, advocates working compromise; its Latin neighbour, with tenacious logic, reiterates its own views. The French become quickly exasperated; the British slowly alienated. Yet the latter keep more restrained because they know that an open breach between the two peoples would only change the situation in Europe from bad to worse and involve new consequences of the gravest order.

After the war, Britain, agreeing to cede her old sea-supremacy and to accept naval equality with the United States, meant to reduce her armaments in other respects to the lowest point consistent with safety. Unawares, she fell below that point. She dismantled her magnificent Air Force. When she awakened again to post-war realities, and remembered that in the air age she had ceased for all purposes of defence to be an island, she found France in possession of an overwhelming air supremacy; and in relation to that fact, Britain was in a more disadvantageous predicament than at any time in her history. Naval power alone was no longer the check on military France that it had been for centuries. The French had vividly realised the truth of this situation, and it accounted for the decision and confidence with which they began to repel British views on the German question and to undertake separate action. Britain was accordingly in this extreme dilemma — that either, so far as concerned Europe, she must passively allow the sacrifices of her people in war to become the suicide of their livelihood, though without them

France would have been annihilated; or, she must re-arm in order to secure more attention to her views or necessities and to reassert her due share of influence in the European question. Though she had taken preliminary steps to make her Air Force something more than negligible, she was most reluctant to re-arm thoroughly in that respect. It was what she would have to do if France refused to modify a policy which could only mean the dismemberment of Germany, with rising armaments, political dislocation, increasing dangers, and prolonged economic chaos in Europe as a whole.

FRANCE, BRITAIN, GERMANY AND OTHERS — COÖPERATION THE ONLY SOLUTION — THE FUNDAMENTAL TERMS

As these pages are written, early in the year 1924, it is plain to many thoughtful minds that there is only one way to banish this nightmare brooding over all western Europe after the invasion of the Ruhr and the second German surrender. Either things will go worse before they go better, or statesmanship capable of reason and foresight must try to bring about some definite system of coöperation between France, Britain, and Germany, with Belgium assisting. Italy's inclusion in that system would be in every sense desirable; it would involve definite understandings with regard to Mediterranean policy, which Signor Mussolini might or might not think it proper to accept. The British must guarantee for 20 years ahead at least, in terms of definite Alliance, the security of France proper including Alsace-Lorraine, and also of Belgium. The British terms in return for this must provide that the Ruhr shall again become an integral part of the economic system of the Reich; that every suggestion of permanent dismemberment by the severance of the Rhineland shall be repudiated once for all; that on the contrary the Rhineland shall also remain part of the German system with no intermediary customs' line; and that further national hope and inducement to pay shall be given to the German people, by fixing a definite date for the full and final liberation of all German land from the armies of occupation. That date ought to be at furthest 10 years from 1924 — long enough, and practically the full period of 15 years originally contemplated by the Peace Conference. Germany would have to accept the Allies' supervision of her finances during the 10 years' term, and would have to satisfy them that her taxation was equal to the British in scale and as efficiently enforced, and that all means were being honestly exerted to stabilise her Budget and her currency. The total of Reparations and the method of payment would be finally fixed at such a reduced and perfectly payable figure of about £2,500,000,000, as thoughtful British opinion since the Peace Conference has steadily urged. If there were any culpable default, after the ex-enemy's resumption of payments, Britain would join with France as a matter of course in measures of distraint.

The advantage of this scheme to France and Belgium is that it would give them security for as far ahead as mortals need look into the incalculable future; and would obtain for them more money, and a better assurance of continued payment than they could get by any other means. Likewise France could appeal again — as she sorely needs — to the money-markets of London and New York. The advantage to Britain would be that, while in any case a vast loser by her war-loans, she would obtain Reparations sufficient to cover part of her American debt which must otherwise depress the standard of life of her people for half a century to come and put her in the long run in a worse position than Germany; and also Britain would gain the wider purpose of promoting the restoration of normal conditions in Europe. The

advantage to Germany would be the guarantee of her stability, of her full unity, and of the final deliverance of all her soil from foreign occupation within a decade — a period not too long to take away the zest of hope and the incentive of work. It will be difficult to gain French consent, especially under the existing Poincaré-Foch *régime*, to such an essential feature of the scheme as a pledge to relinquish the Rhineland in about 10 years; but yet the other inducements are so great that Paris might well think twice and thrice before rejecting a more favourable settlement than in all human likelihood would ever be offered to her again. Germany would protest that the terms were too hard, but after the war it is a hard world for many, and on the choice of evils before her this would be the least; for even the German Right, when it dreams of another war, must remember the terrible fact that another war of any kind, with all its destruction, would be fought mainly in German territory — not French. For all this, the twentieth century is the age of aircraft, over-riding national boundaries, and it would not be well for France and Belgium to drive the German scientific intelligence to despair, and to make such a nation's last necessity the mother of terrible invention. The plan is not so boldly reconciling as Britain by herself would offer, for she would rather see all occupied Germany liberated in five years at the most, rather than ten. Any theory of coöperation between France, Britain and Germany must involve doubts and difficulties. But coöperation between these nations offers the sole prospect of a safe exit from political and economic chaos in Europe; that is, so long as the United States stands aloof from its affairs.

THE WORLD VIEW — 1894–1924 — THIRTY YEARS AFTER — ASIA AND ANARCHY — AMERICA THEN AND NOW

Looking some decades ahead the broad doubt concerning the future of white civilisation in the minds of all men accustomed to contemplate past politics and present history as a whole, is whether there ever can be any real world settlement without America and whether America can hope to escape, at least, heavy consequences of unsettlement. Little could the United States have dreamed of being drawn into a virtually universal war, involving all continents and oceans by the crime of a few fanatical assassins in Serajevo and by the war clique in Vienna, wrought up to risk all established things in a last attempt to maintain by hazard of arms, in the twentieth century, an empire, which was essentially a survival of the Middle Ages and which with all its polyglot discords and racial antagonisms, had become inherently impossible. What was America to the Habsburgs, and what were the Habsburgs to America, that she should bleed on account of them and make herself mighty in arms to cross an ocean? Could any possible fact of the future be more remote from present conception than was, even 10 years ago, the sequence of destiny which made America the arbiter of Europe; though unhappily for Europe, and it may ultimately be for herself, the unprepared arbiter. Yet it must always be noticeable in a comprehensive view that on the opposite side from America there is still another continent than Europe, and that influences in Asia are inseparable from events in what is geographically only its western projection — a projection where a number of intensively active white races in relatively small lands created that thing, miraculous in its genius for invention, power and beauty, appalling in its potentialities for evil and destruction, which we call modern civilisation.

Let us endeavour in our minds to grasp the comparison between the picture of the world to-day and what the picture was some 30 years ago at the

point where this introduction to the study of our time began. The era of world politics in the fullest sense began, as we saw, in the early nineties — perhaps precisely in 1894 when William II and Nicholas II began their fatal intimacy, closely connected with one startling event in Asia, which led by strange and inexorable processes to the catastrophe of the then existing order in Europe, and pulled America from afar into the vortex. Just before, in the humdrum days when Benjamin Harrison of Indiana was President, America was already a Great Power, but in no sense dominant either in the politics or economics of mankind. Four-fifths of her foreign-born population were from the British Islands or from the Germanic and Scandinavian races closely akin to the original American stock. The tremendous influx of immigration from eastern and southern Europe, bringing in widely different bloods, had scarcely begun. The racial amalgam was pretty much what it had been at the time of the Civil War. In 1894 America's population, though, for physiological and psychic purposes alike, far more homogeneous than now, was something over 60,000,000. It was not so much more than the population of Germany alone. Spain still ruled, in the West and East Indies, colonies she had held since Columbus. British commercial supremacy in the world markets was not yet seriously breached either by America or Germany. In Russia, the new Tsar had roughly rejected petitions for a minimum of constitutional reform, and never dreaming that he would not transmit the arch-crown of autocracy to his heirs, he had sworn with pious ineptitude to follow in the footsteps of the sombre, immovable despot, his father. Japan, at the beginning of this marking year, 1894, was almost universally regarded as an ingenious imitative race, somewhat more considerable than Siam. In that summer, 30 years ago, the Japanese blow that brought China to the ground, as David brought Goliath, began the series of events that dashed the old order of the world to pieces. The Russian Tsardom, in its turn, was thrown back by Japan from the Far East to the Near East only to be foredoomed in the latter sphere by the internal results of its downfall in the former. We have traced the sequence.

What of the world-picture of 1924, a generation after? One empire has vanished wholly from the map. The name and being of the Habsburg Monarchy are sunk like Atlantis. Two others of the empires that were have cast their long-descended dynasties; Republican in style, they have been changed in substance out of recognition by incredible vicissitudes. The state of Europe as a whole, we have already examined under a searching light. Asia? It, too, in a different way, is transformed in a manner unimaginable at the outset of the full era of world-policy. Japan, where men still live who wore chain armour in their youth, has become one of the five strongest Great Powers, and her representatives sometimes preside at Geneva over the League of Nations. What fairy tale ever told surpasses this political wonder of our time? China, which we can all recollect as the synonym for massive changelessness, became a republic in 1911, and the Dragon throne fell with the Manchu Dynasty. Yuan shih-K'ai died in 1916 when on the point of creating a new empire and since then, the country which embraces at least a sixth of all mankind, probably a fifth, has fallen into anarchy. Its disjointed provinces are ruled by military satraps, with their lawless levies; and 10 years of civil strife and rampart brigandage have caused more mortality and suffering than Russia ever knew, amidst a patient population — slow to be perturbed even by convulsions — which still goes about its business with stolid diligence so that its commerce with the world is more progressive, in spite of all, than that of dislocated Europe. Yet on the economic side, China's own prosperity and its contribution to the recovery of the world's prosperity are small by comparison

with what they might be. On the political side, what was intended to be a Celestial Republic cannot emerge from anarchy without external assistance. The only kind of supervision not likely to lead to another universal destruction of the world's peace, from original Far-Eastern causes as before, involves at least the restoration under the leadership of the United States of something like the former Concert of the Great Powers including Russia and Germany as well as Japan.

There is a parallel Asiatic problem equal in magnitude. It is that of India, another part of what may be called the swarming continent, and likewise including a sixth of mankind. There, British rule is grappling with the most trying task it has yet encountered. The policy of gradual advance towards self-government, introduced amidst the idealistic emotions of the war after America's intervention and in the first deceptive stage of the Russian Revolution, was an unmatched endeavour of its kind, but dependent for all its practical virtue upon a firmly literal interpretation of the word "gradual." The immeasurable problem, however, is like the former state of the Irish question but infinitely magnified. India, totally unlike Russia or China, is not a relatively homogeneous portion of the human stock. It is a congeries of different races, languages, sects, and castes, with many millions excluded and despised by the castes; with different levels of civilisation, the highest equal, amongst a small minority, to the best-educated white intelligence, the lowest still barbarous. In this enormous medley, brought into political order and held together in peace by British rule and nothing else — though full of defects — the latent antagonisms are of anarchic potentiality such as even Asia has not known hitherto nor the mind of man conceived. Yet there is no content with the gradualness essential to the British scheme as to all orderly transition. To restrain the imagination of Russian Bolshevism in the mad summer of 1917 before the ruin and disillusionment, would have been easier than to curb to-day the visions of the extremists among the Indian intelligentsia. British rule and railways have created an illusion of unity to which no political reality corresponds. They have instituted a compulsory, and, as it were, artificial peace resting upon no natural basis. As a searching thinker has said (Charles Pearson in one of the disturbing books of the last 50 years, *National Life and Character*), for every war the British have waged in India they have prevented twenty. But the British raj has been of late like a house built on an incline of ground liable to subsidence; and unless, in addition to the moral vision which has set the ultimate goal, it has the even, unflinching nerve to control the process of advance, and to check it when the heady sweep of agitation tends to carry all away, the present tenure of Indian suzerainty by a little European island, will not endure for another generation.

The part played by that island from Elizabeth to now in all the continents, Europe, America, Asia, Africa, Australia, alike, has been a wonderful epic, such as would have been beyond fantasy were it not true in fact, but Britain, after nearly three centuries of increasing good fortune, has fairly come to her testing-time at last. The probability is still that she will survive it, and that her deliberate and neglectful patience, combined with her amplitude of vigour and resource when a crisis is patent, will maintain her position in India for longer than is expected by the general view of other nations to-day. There can be no doubt that if Britain were from any cause to withdraw from India during the next 30 years — that is to say, during a period no longer than that surveyed by the present study — the resultant anarchy would be quelled either by Moslem domination or by some foreign power following an invitation from one or other warring element to intervene.

Next carrying our thought westward through the Islamic sphere which

links Asia to Europe, and Africa to both, we perceive several changes and developments not less astonishing in their way than the rise of Japan, the indescribable adventure essaying to convert the Middle Kingdom into a Chinese Republic, and the disturbance of India by new movements breaking up the former mental foundations of the great deep. The Ottoman Empire of 30 years ago under Abdul Hamid has given place to a racial state more restricted but more solid: the new Turkey is in effect a Fascist Republic with Mustapha Kemal as its Mussolini. That it will remain satisfied with its present curtailed and close boundaries is by no means to be presumed. Islam, meanwhile, is as disunited as China and nearly as disunited as that far-spread discordant miscellany which was once called Christendom. The race of the Prophet is free from Turkish bondage, but as far as ever from being at one within itself. King Husein rules at Mecca; his sons in Mesopotamia and Transjordania. But all these *régimes* are dependent on British support as against the incohesion of tribes and sects. If the British withdrew, the Turks would return. The French, holding Syria and Damascus, are on uneasy terms with Turks and Arabs alike. The British holding Palestine and Jerusalem, less for any serviceable objects of their own than for the sake of Zionism, are in a case which is no better and might easily become worse.

ZIONISM: ITS ROMANCE AND ITS DANGERS — THE TRUE HOPE

This survey throughout has been a record of wonders as well as disasters, but when we view the attempt to establish Zionism in Palestine under a British Mandate, we must agree that this is the most fascinating enterprise of the new age, whatever may be thought of the principle and whatever may become of it in practice. Constructive imagination in politics never undertook an enterprise so romantic, bold, and delicate. It may remind us of the labours of a chemist, who, seeking a process to realise a vision of possibility, is not sure whether he will produce a precious substance or an explosion. In these compressed pages we can only glance at the experiment in passing, but we must try to present the essentials. As a result of the devoted zeal of Jews, who believed that the preservation of the distinctive soul of their scattered race depended upon their success in propaganda, the British Government was induced to take up the cause. On November 2, 1917, they issued the celebrated "Balfour Declaration." It was in favour of the establishment in Palestine of a National Home for the Jewish people, subject, however, to the rights of other races, especially the Arabs, who are and will remain a large majority. It must be remembered that the Holy Land — unlike Rome or Mecca — is sacred alike to all three monotheistic faiths, Moslem, Christian and Hebrew. After the war, one of the ablest amongst living Jewish statesmen, formerly a Cabinet Minister in the British Government, was appointed High Commissioner. With breadth and judgment, Sir Herbert Samuel has pursued his task of trying to draw conflicting elements into a working agreement, but it has often seemed as impracticable as the squaring of the circle. The Arabs, with an increasing vehemence of hostility, refused to coöperate with the Government. They have benefitted by the sanitation and the public works, the general cleansing and improvement, which accompany British administration in the East wherever it goes, but they claim as the overwhelming majority — four-fifths of the inhabitants — to be masters in what they regard as their own land. It is certain that the political ambition of extreme Zionism to establish by degrees a Jewish domination in Palestine, or a separate Jewish State of any kind, will have to be abandoned.

The attempt could only end in massacre worse than the old Russian pogroms from which many of the Hebrew settlers fled. The Arabs will resist anything like an unlimited influx of immigrants.

But moderate Zionism, while gradually increasing the number of its adherents by selected immigration, has still every chance to realise the far greater spiritual dream of making Palestine the centre not only of Hebrew religion, learning and literature, but of thought and idealism with respect to all the special political and social problems of Jewry throughout the world. From its pledge to support this part of an appealing adventure, the British Government is quite unlikely to flinch, though facing a new difficulty added to the thousand others that beset it. From the growth of Zionism as a spiritual and intellectual system, with its university and schools, as well as from those technical and financial aids to the general development of the country, which the Jews bring with them, the Arabs have everything to gain. The vital interest of Zionism at this phase is to allay Arab fears of excessive immigration and ultimate domination.

AFRICA — NEWEST WINE AND OLDEST BOTTLE — SPAIN AND MOROCCO — LA FRANCE NOIRE — AFRICA IN EUROPE

From Asia, in this picture of world-politics 30 years after, we turn to Africa. In Egypt of the dim dynasties — nearly as much earlier than Tutankhamen as he was earlier than we — it is a question whether the new wine of nationalism will not burst the oldest of all political bottles. The British, going further than in India, have offered independence, subject to reservations safeguarding the Suez Canal and foreign residents, while providing against the intrusion in these changed circumstances of any other foreign Power. Here, as elsewhere, it is difficult to bring extreme nationalism, when once inflamed by ample concessions, to any kind of compromise; and impossible to convince them that all political dreams, even after the war, have hard practical limits. It is certain that if Britain were to leave Egypt and Palestine the result would not be freedom for either, but that they would be occupied by the Italians or the French.

At the opposite point in North Africa, Spain continues the struggle which has drained her of blood and money for years without avail; the result of the Moroccan campaign undertaken by the new Dictator, General Primo de Rivera and his military junta, will doubtless do more than anything else to decide the fate of the Spanish form of Fascism.

By far the greatest thing which has happened in Africa is the rounded completion by France of a splendid Colonial Empire, the largest existing next to the British Empire and far more consolidated. It forms one uninterrupted dominion, covering 3,000,000 square miles with a population of over 30,000,000 inhabitants. Lying on the opposite shores of the Mediterranean, where that sea can be crossed by aeroplanes with ease, and where shipping transit is short, this immense possession is far more closely linked with the ruling Power than are colonies to any other country. This is *"La France Noire"* which, by one of the most remarkable developments in European history, has been incorporated with the military system of the Third Republic. In spite of the declining birth-rate at home, France relies confidently upon the reservoir of fighting force in the vast trans-Mediterranean Empire near at hand and magnificently organised. M. Poincaré reminded Germany in one of his resounding speeches that for military purposes she has to deal with a larger population than her own. The dark

troops are a normal and indispensable part of French power in Europe, and they may be reckoned henceforth as forming at least a third of the French armies.

UNPRECEDENTED INCREASE OF ARMIES IN POST-WAR EUROPE — MILITANT NEW NATIONS — THE DEGREE OF FRENCH SUPREMACY — RUSSIA AND THE DISARMED PEOPLES

Amongst all the abnormal developments of our epoch this is the strangest and the most disturbing, perhaps saddest, to all serious thinkers upon the problems of post-war civilisation. But it is part, and the most disquieting part, of that portentous question of increasing armaments to which we must now direct our view. There is a process in action which of necessity must prove mortal to the world's peace unless some form of concerted civilised intervention can arrest it in time. We have seen how, after the German triumph in 1871 and the seizure of Alsace-Lorraine, rival armaments were built up to a climax. We have seen how in July, 1914, "the machines began to move of themselves"; how mobilisation meant war because every hour lost or gained might be charged with propitious or adverse fate. The time factor, minutely reckoned, entered vitally into calculations of mathematical fineness. Superior speed in initial movement was the essence of advantage. The deadly fear of defeat, if rival and rather slower armaments were given more time, the desire to make the most of an immediate efficiency ensured by the labour of years, prevented the delay that would have saved the peace. The growth of competitive armaments must mean war in the end and never can mean anything else. The moment of clash comes; the killing instruments are used for their purpose. But in this respect what has been the sequel of the Peace Conference? Let us see. The defeated four — Germany, Austria, Hungary and Bulgaria — were indeed reduced to defencelessness. Their Moslem partner, Turkey, escaped that penalty and by a reinvigorated fighting force fairly reversed the main result of the World War, so far as she was concerned, and achieved victory at a second remove. But what of the conquering majority in the rest of Europe — the Allies, their client states and Russia. They maintained or supplied about 3,000,000 troops on what was called a peace-footing before the war. On what is called a peace-footing they maintain at least 4,500,000 troops after the war. The latter number may be more because all figures are not candidly given; for, as amongst the Italian Fascisti, various auxiliary organisations, ready for service, supplement the strength of the standing armies. The new states, big and little, whose creation or expansion were hailed by all believers in national liberty and racial unity, are military states, one and all. They have multiplied armies like Customs Houses. Poland, for instance, maintains an army on the scale of a Great Power before the war; it is the most conspicuous and effective thing in her national life, and it is the object of her idolatry. Including Poland, the emancipated states, like Czechoslovakia and Finland, and those so enlarged as to be practically new, like Rumania and Yugoslavia, keep over a million soldiers on a peace-footing. This in itself is "terrifying" as was remarked by one of the brilliant soldiers of the war, the late Field-Marshal Sir Henry Wilson. But we have not begun to count the Great Powers. Britain has reduced her army to the limit, just as she has restricted her fleet by agreement with the United States. Nominally, the French army as respects numbers — 736,000 men in 1922 — is no larger than in 1913, but its equipment of machine-guns and aircraft makes

it incomparably more formidable in real force than then; and it is undoubtedly in relation to its neighbours a more irresistible military organisation than has ever existed since the strongest days of Imperial Rome. The preponderance of Louis XIV or Napoleon was not so absolute. The Soviet State, like the Tsardom, has to depend on numbers rather than equipment, and it keeps 1,300,000 men with the Red colours. This largely accounts for the disproportionate size of the armies maintained by the chain of new states on the borders of Russia. To understand the present working-system of Europe, we must remember that Poland and the Little *Entente* — Czechoslovakia, Rumania and Yugoslavia — are all closely connected with France by military arrangements, formal or informal. Russia and Italy are the only checks upon this system. If Warsaw in conjunction with Paris attacked Germany, the Soviet State would undoubtedly attack Poland. The Italian army was reduced after the Armistice, but it has been strengthened again and more than appears, under Mussolini. It is a check on the French systems.

All these armaments are defended on the plea of security, like the lesser aggregate of armaments before the war; and it is a plea to which there is no present answer. Satire and irony can make what sport they will with this sequel of the Peace Conference. It is useless to launch rebuke upon the new crescendo of militarism amongst all the neighbours of the disarmed peoples, Germany and Austria, Hungary and Bulgaria. There is in fact no other security for the new states except their own fighting strength and that of their protector, France. There is no security in the League of Nations as it exists. And no security can begin to be effective until for one thing Soviet Russia is fully readmitted to the political circle of civilisation, and for another thing either a stronger League of Nations is formed, or an adequate peace-association of another kind is created.

Otherwise, the monstrous growth we see can only be a beginning, and armies must increase and multiply still more, as after 1871, until another explosion comes at last. There is little need to refer to the intensifying virulence of the scientific accompaniments. Every wakeful imagination in the world is aware of them. The poison-laboratories are part of the arsenals, and all our apprehensions probably fall short of what chemical research is achieving in this department. The bombing-powers of aeroplanes to-day can turn towns into death-traps. The crashing of houses and the deaths of civilian inhabitants in the last war would appear a mild and puny performance of amateurs by comparison with the destruction of whole streets and quarters, the indiscriminate massacre of women and children as well as men, which the advancement of the science of annihilation since the Peace Conference has made possible even now. Trench wars will not be seen again. Even massed wars of movement in the field like the closing battles of 1918 are probably obsolete. But let us not be deceived by a change of fashion. If the world drifts after 1918–1919 for a few decades even, as it drifted for nearly half a century after 1870–1871, the ultimate contest will be between the entire nations of the belligerents. Every man, woman and child capable of using their hands will have to use them for their lives when cities are the targets. To turn out aeroplanes, bombs, gas shells and poison shells, tanks and machine-guns for the purpose of the more highly technical concentrated conflicts of the future, will be the task of whole populations working by millions, day and night, to destroy each other from a distance.

REVISION AND MITIGATION OF THE PARIS TREATIES

Inseparable again from the question of armaments is that of providing some efficient international system for establishing by process of peace some nearer approach to political justice than the order which has prevailed, in Europe at least, since the Paris Conference. The hardest thing of all, no doubt, is to undo, to some equitable extent, what was then misdone. The mutilation and deprivation of the defeated, though much was properly taken from them, went too far. The sweeping alteration of Russia's western frontiers and economic connections with the Baltic Sea and Central Europe was a stupendous error for which no defence ever can be offered, if it is indeed the duty of statesmen to look beyond the day and not to lay up calamity for the future. There is only one thing stronger than the cause of unconditional peace and that is the cause of justice which nourishes in beaten and despoiled men, through their darkest years, an inextinguishable potency of ultimate revolt against wrong. The renewed menace of competitive armaments and the lessening securities for enduring and confident peace, are problems which cannot be solved unless some means can be contrived for revising the peace treaties of 1919, which sowed the Dragon's Teeth, already springing up as armed men in myriads. Germany, Austria, Hungary, Bulgaria, cannot be permanently content with their present bounds. This is not the place to consider details of rectification, though it is a momentous study to which closer human thought most urgently needs to be applied; but all these nations must either be placed by consent in a more bearable position or, in the long run, they will strike for it. These nations have not less spirit than the Turks. They are only for the moment more helpless.

Their total disarmament in the midst of nations more rampantly armed, as we have described, is no doubt a more effective disability than has usually been imposed upon conquered peoples. But can it last? Time passes. All circumstances change. The unexpected happens. Accidents and internal maladies sometimes overtake successful nations as successful men. Not all the victors and their clients will be equally wise or equally fortunate. We know that things contrary to right human nature cannot endure, no matter what extent of artificial advantage they may seem to possess at a given time. No student of European history can think it at all probable that the German race can be held down for ever and a day — or even for a single generation — by a military power unsoundly based like that of France on the attempt to compensate for a deficient birth-rate by multiplying black levies. The whole of eastern Europe, in the next few years, is very likely to erupt, and if the accumulation of armaments goes on, the German race is bound by some means to regain access to arms. Nor if ordinary weapons are denied, can German intellect be relied on to remain as defenceless as are German hands to-day. It is possible that neither rifles, nor bayonets, nor even heavy artillery, will be the decisive weapons of the future; and as was remarked at another point in these pages, it may not be finally safe to make dire necessity the mother of terrible invention in Germany. Russia's position amongst the nations which cannot be content with the Paris Treaties is very different and obviously more formidable. Perhaps, but slowly, yet very surely, it is bound to become incalculably more formidable. Russia is not disarmed. Though the nominal numbers of the Red Armies are deficient in equipment, that will increase and improve. Her national spirit has not been extinguished by Bolshevism.

Apart from racial feeling, the Soviet State is influenced by the same geographical necessities which impelled the less intelligent Tsardom. Russia is bound to seek freer access to open water both in the Baltic and the Mediterranean. She must have such relations with the new small states hurriedly thrust by the Allies between her and the Baltic as will permit of the same free commercial access to that sea as she had before. Her economic interest in the question of Constantinople and the Straits, which no man can suppose to be finally settled, will continue to be larger than that of all other countries put together; as the decades pass, it must become relatively larger and larger still. Nor can it be thought for a moment that Poland can permanently stand unless her over-reaching extensions into the proper sphere of the Russian races are relinquished, and large rectifications of that frontier are voluntarily conceded. It seems as probable as anything which a sober measurement of consequence can suggest, that the Russian question will have a decisive influence upon the German position and upon that of all the defeated states; and that the exorbitant system of domination in Europe established by the victors and their clients through the Paris Treaties will ultimately be overthrown from the eastern side. When Communism is as dead in Russia as Jacobinism after a few years was extinct in France, Russian Nationalism will remain. The whole State of Europe as it exists five years after the Great Armistice makes for renewed war, even more certainly, more inevitably, for war, whatever the period of delay, than the nature of the situation made for war before the late world conflict. Without the establishment of some powerful and dispassionate means of revising the actual terms of the Paris Treaties or mitigating their more inequitable and unbearable effects by new arrangements, we cannot expect that there will be any decrease of danger or any abatement in the new multiplication of armaments. In the end, these fighting instruments would be applied to their purposes. There can be no reasoned presumption in favour of world-peace unless there is established some manner of world-system to induce no less than to enforce it, by exercising powers of revision in the interests of practical justice as well as of guarantee for the security of such landmarks as no neighbour may rightfully remove.

THE SUPREME QUESTION FOR WHITE CIVILISATION — PEACE OR WAR — INADEQUACY OF THE EXISTING LEAGUE OF NATIONS

Is the existing League of Nations capable of grappling with these tremendous problems which the present time, so enigmatical and in many ways so sinister, is bequeathing to the future? If not, can the League, without America, create a basis so much more broadened, and an authority so sovereign, as to prohibit war, to suppress it, to diminish its instruments in every nation, while regulating by judicial process the disputes and difficulties of peace? An analysis of intellect alone must be strictly applied in these matters; after our experiences in the last ten years we dare not allow the noblest emotion to mislead. If an enquiry in this second sense should still give a negative answer, can we conceive of a wider, simpler, stronger system for the preservation of world-peace either apart from the League of Nations in any shape or in connection with it? These, let us be sure of it, are three questions, searching, crucial, like none that ever before concerned the fortunes of white civilisation. For that is the sphere of peril. Asia and Africa would survive and flourish. They are less advanced, and though they could dispense with all the European culture they have acquired — as the people in *Erewhon* abolished all their machines — they are not yet

exposed to self-destruction by the appalling perversion of that supreme scientific and technical power to which western civilisation has arrived.

Let us examine the three questions in their order, and consider first the record and the real capacities of the League of Nations as it exists. When America withdrew, the apparatus lost its chief motive-power. The mechanism remained as President Wilson and his British collaborators had designed it, but it could not work with anything approaching the moral and practical power he had intended. The form remained, but not the function. The Covenant was there, complete with all its articles, but an authority sufficient to apply them did not exist and has never been created. Neither the United States nor Germany nor Russia are represented in the main work of Geneva. The fatal inadequacy is that the League does not represent an effective majority of the white race either in the Old World or the New, and in these circumstances, it can neither discharge its duties with sufficient courage and impartiality as between different nations and Powers, nor can it be regarded by any one as a safe dependence in the hour of trial. Its work in many ways has been excellent. It has undertaken many humane offices. It has settled some minor disputes like a hundred which were peacefully arranged by diplomatic methods through the generations before 1914. In other respects its record is not more satisfactory than of the old statecraft.

The five test cases are those of Upper Silesia, Vilna, the Saar, the Ruhr, and Corfu. We may take them in turn. The Paris Treaties transferred masses of Germans to Polish rule. Political justice and practical equilibrium in Europe demanded that in other mixed districts Poles should remain under German rule. Instead, even Upper Silesia was partitioned under the auspices of the League, and its industrial region, wholly developed by German enterprise and almost as essential a part of Germany's economic vitals as the Ruhr itself, was transferred to Poland. Yet the whole of this province had been for many centuries an integral and unquestioned part of historic Germany. On the plebiscite provided by the Treaty the total vote of the whole province had gone in favour of remaining with the Reich, but by far the most valuable portion of a region never divided before, was handed over to the minority of the voters in the plebiscite. There was no historical, racial, or linguistic argument justifying the return of Alsace to France which did not weigh on behalf of a German retention of Upper Silesia. This procedure did not conduce to the permanent interests of peace and reconciliation in Europe, nor did it show in any way a larger wisdom or a higher morality than the average practice of the old unregenerate managing diplomacy. Again, in defiance of the League's regulations the Poles under General Zeligowski seized Vilna. It was a flagrant act, but it was carried out with entire impunity; there were no penalties for lawless violence; Vilna was awarded to the Poles. In the purely German valley of the Saar, the unfortunate inhabitants, transferred with the coal by the Paris Treaty, complained and proved that they were oppressed by French administration under colour of the League's mandate. Geneva fumbled cautiously in reply to the appeal, but could only show itself to be little more than a cipher in the question. The ordinary inhabitants of the Ruhr could not feel that the League gave any mitigating touch to their humble human lives under an alien *régime,* or that it was more than a shadow.

Next came the invasion of the Ruhr. Its legality was disputable under the Treaty of Versailles, and it was indeed pronounced to be illegal by the jurists advising the British Government. In any case, this sad episode injected more venom into Franco-German relations than anything since the worst excesses of the war itself. The unoffending mass of the people in this convenient district of the Ruhr, became scourged scapegoats for the German

Government and the industrial magnates. The misery dragged on all through 1923. Nothing could have been more destructive to the cause of moral reconciliation in Europe, nor more inimical to the possibilities of a truer peace. The League did not dare to do anything, and hardly dared to say anything. Not only was practical intervention not attempted at any risk of rebuff from Paris, but no ringing accent even of moral appeal and entreaty was ever heard from Geneva. The reason was plain. In all these cases, nothing could be ventured against the wishes and interests of France and her intimate associate, Poland. Had any interference been attempted, Geneva would have been roughly repudiated by Paris. This cowering quiescence, and the obviousness of its cause, meant a grave weakening to the repute of the League in the sight of all serious thinkers, whether believers or unbelievers, in the original purposes of the Covenant. Finally came the Corfu crisis. Signor Mussolini, after the atrocious massacre of the Italian mission on the Græco-Albanian frontier, launched his ultimatum on Athens, bombarded the town of Corfu without warning, and occupied the island. It was a particularly spectacular and sensational assertion of might as right. It was not so glaring in that character as the seizure of Vilna by Zeligowski. It did not compare in magnitude of forcible action, or in consequent loss of ordinary lives and widespread suffering, with M. Poincaré's seizure of the Ruhr. None the less, Geneva attempted against Italy what it had never risked on any issue against France, and in effect it summoned Signor Mussolini to the bar. The Dictator, with all Italy behind him, defied the League, denied its fitness and impartiality, and threatened to leave it. After that, Geneva in this affair was the fifth wheel to the coach. No Great Power except Britain — to her own detriment as regards her relations with Italy — was behind it, and Britain alone could do nothing. The case had to be remitted to the Ambassadors' Conference in Paris, and there it was settled in the style of the old diplomacy. France, for more support from Italy respecting the Ruhr, was constrained — though not liking the necessity — to be indulgent to Italy regarding Corfu. Greece was accordingly mulcted by diplomatic order of the sum that Signor Mussolini's ultimatum had required, in order to expedite evacuation of the island held for a few weeks in pawn.

None but those eager in self-deception could be in the least dubiety about the meaning of these things. A League which does not even in name represent more than half Europe; which cannot be sure of commanding an effective majority of Europe on any larger question concerning peace; which cannot act in any case where France is intimately concerned; which cannot act in any other critical case unless the Governments of France and Britain are in previous agreement — this is an inadequate League which cannot serve any main purpose for which it was instituted. This criticism is not a reproach. It is an analysis. The League had been allowed to do at least one thing which all men must admire and commend. Austria as diminished and isolated, with Vienna left as a meaningless metropolis on its hands, was condemned to death, casually and without intention by the Peace Conference. When near the point of extinction, financial salvation was provided for it through the League. But this, like its other fruitful achievements, is an admirable aside, and does nothing for the fundamental object of the Covenant which was intended to substitute a new reign of international law for the former reign of force. Europe no less than China is ruled by force and by nothing else, and more crudely by force than in the longer part of the generation before the war. In the last years of the old peace the war-staffs in Berlin and Vienna alike were straining to break loose, but up to then the balance of alliances and armaments had imposed general care and restraint for decades. None of the members of the League accepts its existence as a

safeguard. The vast increase of standing armies in Europe by comparison with the pre-war maximum in 1913 — despite the disarming of Germany, Austria, Hungary and Bulgaria — is the only sure index to the realities of the European situation. Despite the Covenant; despite Council, Assembly, and Secretariat; despite the elaborate offices and permanent staffs at Geneva, maintaining in externals the supposition of an authority which does not exist, the present inadequate League, which does not represent an effective majority either of Europe or the two Americas, never can begin to do the main work for which it was created. Upon its present fragmentary basis it has doubtless done all that was possible, though from the beginning it has never shown the full moral courage and spiritual vision. It has enlisted the service of high abilities, and received a devotion beyond praise. But in all the chief and vital issues concerning the future of war or peace, the existing institution at Geneva hardly counts because, though bearing the inclusive title of the League of Nations, it does not embrace the majority of the white race. Unless the substance of its living constitution can be strongly reinforced, to depend upon it in any way for the purposes of inducing or enforcing peace, would be to lean on the broken reed.

THE LEAGUE AS OPERATED WITHOUT GERMANY OR RUSSIA — A "CLIQUE OF NATIONS" — A MAJORITY OF CERTAIN OTHER CONTINENTS AND RACES BUT NOT OF EUROPE, NOR OF THE WHITE RACE

We are brought to the second and greater question — whether the League by broadening its present basis can create an effective peace system for all purposes outside the two Americas. The inclusion of Germany and Russia would make a transforming difference by bringing in two of the world's chief races, numbering between them 200,000,000 souls. Without these, in relation to the bigger issues, Geneva must always be a mummery or a shadow. With these, Geneva, for the first time, would include a positive majority of white mankind and even represent four-fifths of it. Until that is secured the League of Nations will remain below its name, and had perhaps better be called the clique of nations, so that the true facts about the present close system of control, and one-sided working in main matters, may be better understood by all men. Again, until Germany is admitted, the League will not have begun to face the spiritual purpose, which was originally meant to be the very aim and essence of its being — the inclusion, for the first time after war, of victors, vanquished, and neutrals in one reconciling and adjusting organisation. This was the only project that could pretend to serious attempt at meeting the world's need after the great ruin and the great slaughter. During the war, all the chief advocates of the League in Europe — certainly in Britain — urged the inclusion of ex-enemies, not merely as desirable on practical grounds, but as the head and front of the moral purpose. They were staggered, dismayed, when President Wilson — at least as regards admitting Republican Germany — did not insist, while he had the power, on the fulfilment of that purpose. It was the very soul of all he stood for. For a clique of nations, manipulated by the victors and their favourite clients, not a finger would have been lifted by persons like the present writer who throughout the struggle urged the need of a new world-system. Until the Reich is invited into the circle, the League is culpable of a standing dereliction of duty, misuses its comprehensive name, and exposes itself to the satire that scathed the Holy Alliance in its day.

The supineness of Geneva in its spiritual mission was for a long time accompanied by the alienation of the Germans themselves. German opinion

passed through three distinct phases. After the Armistice, that country could easily have been brought in, with incalculable advantage to the hope of a new temper in the world; and at that time men like Erzberger and Rathenau, both since murdered, would have been as capable as any two alive of rendering brilliant service to the League organisation. Then came the moral mockery on which the Swifts and Voltaires of the future will never cease to exercise their ridicule and parody — the Covenant on the one side, and the carnivorous orgy of the lions and the jackals on the other. After the partition of Upper Silesia under the pious auspices of Geneva in continuance of the spoils system, there was a tremendous revulsion of feeling in Germany. The League stank in its nostrils. This was natural but foolish. The Germans in this, as in much else, were victims of the pathetic fallacy and a prey to self-pity. Persisting in seeing themselves as deserving objects of the world's sympathy, they would not perceive that those, no matter what their griefs, who think only of themselves, are apt to be left to themselves. Preoccupied with their own harsh sorrows and troubles, they seemed to forget that they were not the only sufferers; and that as respects inflation, and scandalously weak or evaded taxation, their follies were almost equal to their wrongs. Refusing to admit that the Hohenzollern and Habsburg systems together had forced the catastrophe, the German people for several years took no real interest in any human cause outside their own grievances. They were blind to the necessity of settling down to make the best of a bitter plight; and to the unique chance of employing the League to conciliate the world's intelligence. When Germany was stretched on the rack by the Ruhr ordeal there was a wholesome change. The Reich, if unbroken, would eagerly join the League on condition of having a permanent seat on the governing Council, like Britain, France, Italy and Japan. Until this is granted, the League of Nations will not begin to be changed from what it is to what it ought to be. If it is suggested that France would object, the answer is that this issue must be brought into the open, however it may be decided in the first instance. A formal French veto upon the admission of Germany would have the drastic effect of showing realities in a garish light. We may well doubt whether after full debate in the Assembly, Paris would risk the penetrating injury to the repute of France resulting from a rigid veto on Germany's effective admission to the League and the Council. Fifty-four nations, representing nominally about five-sixths of the earth's inhabitants, are members of the League. Fully half of these are petty states whose total populations barely equal that of Germany alone; and, for the most part, they are almost grotesquely less than equal in civilised significance. That Haiti, Liberia and Abyssinia; that Honduras, Nicaragua, Costa Rica and Panama; that almost equally exiguous communities like Paraguay and Uruguay — that these are members of the League, entitled to discourse at Geneva upon the all and sundry of mankind's affairs, but that the race of Luther and Leibnitz, Bach and Beethoven, Kant and Goethe and Bismarck, are at present banned from a conclave of harmonising civilisation and organ of universal philanthropy, is one of the most fantastic travesties of human purpose that ever drove an ironic mind to the re-reading of *Candide*.

The admission of Russia is another sort of affair; but that also is quintessentially necessary before the League of Nations can begin to be deserving of its style or capable of its offices. Whatever were the atrocities and lunacies of Bolshevism in the terrorist delirium now extinct, the discordant Allies and their late Associate owe an inextinguishable debt to the exorbitant sacrifices of the Russian people. Without those sacrifices, Hohenzollerns, Habsburgs and Romanovs would still reign together wielding an iron domination over the earth; not the utmost exertion of the latent power of the

United States could have prevented it. The Russian mind is distinctive and disturbing, but like the German mind, it is an indispensable stimulus to the general vitality of white intelligence. We are parochial and timid while we shun the renewed contact. Without Tolstoi and Dostoievsky, modern consciousness would no more know itself than without Bach and Beethoven. How we are misled to narrow and impoverish the former great intercourse of mankind — to forfeit the intellectual boldness which was the birthright of the English-speaking peoples! Do we no longer trust our strength to mingle in the fullest interplay of international influences, assimilating what we prefer and rejecting as we choose? If we are become so much less virile as less broad, what would Emerson have thought of it? The Russians, with all their faults of hair-splitting and their mirage-forming loquacity, would do more than any other element to stir up the League of Nations into the kind of mental activity that its purposes require. In spite of all that has happened from the explosive mixture of perverted ideals and unbearable circumstances, the Russians, perhaps, more than any people, have at heart the true instinct of human brotherhood.

The concrete facts are as important. It is very possible that Russian mortality, resulting directly from the war and its revolutionary sequel, has been equal to that of all the other belligerent nations put together. Nevertheless, Russia is now on a relatively sober basis, as former pages have explained. Though an accurate census is lacking, the best estimates place the population of the Soviet State at not less than 130,000,000. Across eastern Europe and northern Asia the territory of that state covers nearly 8,000,000 square miles, almost as much as all North America, including Canada and Mexico as well as the United States. The economic potentiality of this undeveloped region is immeasurable; the political hardly less. We Westerns are ostriches with our necks in the sand to suppose that we limit the consequences of these facts by ignoring them. Russian propaganda amongst the 400,000,000 people of China in chaos — no one knows the correct figure, and though Mr. Rockhill puts it lower, more experts confirm the figure given — is permeating to a quite noticeable extent, especially amongst the Cantonese. It is at least a more real factor in China than the League of Nations. The more we neglect that particular influence and leave it a free field, the more it will grow as Russia recovers. For Russia necessarily must turn where she can; the more her desire to resume full western intercourse is debarred, the more intensively must she try to work in the Asiatic sphere — in China and towards India. Without Bolshevik support Mustapha Kemal never could have rebuilt the fighting force of the Turks, and won the Peace of Lausanne, abolishing the traditional commercial privileges of foreigners. Every competent observer of tendencies in world-politics knows that the force of this particular example has thrilled, like the epoch-making Japanese triumphs, 1904–1905, from one end of Asia to the other. Young China talks of abolishing similarly the privileges of foreign trade in the Treaty Ports. This in time might hit Britain and America hard — far harder than it could hit Russia or Japan. As we have seen very strange things, we may see more. Why not? Only purblind statesmanship unable to look even a few years ahead, can think it enough to disregard these unceasing reciprocal influences between Europe and Asia. If that secular and continuing process is not grasped, then one of the main factors in universal history and present politics is missed by nations, America included, refusing to learn even from the colossal experiences of the last 30 years; and these pages have been written in vain. We must return to this topic when discussing more closely America's own position.

The Russian question has a still stronger bearing on the strictly European

part of the world-question. It is very idle, for instance, to talk of military disarmament until Russia is brought into a general movement for that purpose. The Soviet State is not unwilling, but its price unavoidably would be full recognition and full intercourse. Otherwise, the Red Armies must be maintained and nourished — at least their select troops — into a gradually growing efficiency. While that is so, the border states must look to themselves, and it is unintelligent or pharisaical to rebuke them. But if the new border states next to Russia cannot disarm in these circumstances, the rest of Europe cannot. On the economic side, the high tides of recovery in international trade and exchange cannot be seen again until the Russo-Siberian sphere is thrown open to enterprise. This is Germany's proper field; and only in this direction can she hope to create such a surplus by exports and services as would enable her to discharge steadily whatever liability for Reparations may be finally determined. If general prosperity is to return, we shall need all tributaries to swell that river: we cannot shut off as now a large proportion of the whole globe's resources. On the political side, the argument is as strong. There can be no settled sense of confidence and stability in Europe — politically, the earthquake centre of civilisation — and therefore not in the rest of the world, until normal intercourse between the Soviet State and the west is restored. At present, the feeling of uncertainty and apprehension when men turn towards the Russian horizon, is like the Scythian cloud in the same quarter that hung over the edges of the classic world.

THE GREAT LEAGUE WITH GERMANY AND RUSSIA — ITS DECISIVE POSSIBILITIES — REGIONAL GUARANTEES — ECONOMICS AND DISARMAMENT — THE POLISH CRUX — REPARATIONS AND SECURITY — A SOLUTION OF THE FRANCO-GERMAN FEUD

The large majority of Europe is now in favour of the admission of Russia to the League. Neither Britain, Italy, nor Japan would oppose it. French views have changed so rapidly that to see Paris at no distant date chaperoning the Soviet *régime* in foreign policy, would not surprise any vigilant witness of what is already happening. In an informal way, amicable negotiations between Paris and Moscow have already made considerable progress. If France, alertly appreciating that the change in Russia is like the change from the Terror to the Directory in her own Revolution, should reverse her attitude sharply, and be the first Great Power to offer full recognition to the Soviet State, she will derive and deserve considerable profit from her skill.

French mediation could do more than anything else to solve one of the worst — perhaps the very worst but one — of all the European problems. As we have noticed, Imperial Poland has got itself into an impossible position. Its encroachments have made it hated or disliked by every one of its neighbours. Its fiery extremists will rage against any concession to any neighbour, but there are shrewder brains in Warsaw, and rectifications on the Russian side must be made if there is to be any solid ground for a confident existence. Europe is trying to work out a series of regional guarantees between groups of states, such as would replace that impossible Article X of the Covenant, so largely the cause of Mr. Wilson's *débâcle* in America — which tried to pledge every nation to maintain the technical integrity of every other. That provision meant supporting all the blunders and injustices of the Treaty of Versailles. President Wilson ought to have jettisoned Article X. Not a single nation belonging to the League and

signatory to the Covenant genuinely accepts that article. None means to be involved in any distant and doubtful quarrel. Hence the more practical movement for mutual guarantees between groups of contiguous nations like the Little *Entente*. Britain, France and Belgium may come to a similar defensive arrangement. But a hard-knotted European difficulty, so far, is Poland. No one will guarantee her eastern frontiers, extended far beyond the proper territories inhabited by majorities of the Polish race. If France could bring about a peaceful revision between Moscow and Warsaw, more would be done for security and disarmament than any other single success of statesmanship could achieve. This, like the return of the Rhineland to a united Germany, is a key-question, just as Alsace-Lorraine before the war was a key-question. If the Polish difficulty could be dealt with in this way, there would be a far better chance of steadying all Europe by a series of regional agreements for mutual defence.

If Germany and Russia were together admitted to the League, its present moral and practical authority would be more than doubled at a stroke. For the first time it would be worthy of its great name. Representing 56 States and nine-tenths of the world's inhabitants, it would include not only the many-coloured swarm of minor or infinitesimal communities — Luxemburg and Liberia, Haiti and Panama, now playing a picturesque rather than an operative part — but it would likewise marshal all the Great Powers and races, with a sole exception. The nature and extent of the difference that would be made by this augmentation of strength may be further illustrated. You might pick out 20 "nations" from amongst the more minute of the present members of the League, and they would barely equal one-half the excluded population of Germany. You might take over two-thirds of the whole present membership, and they would not come near to equalling in number the excluded inhabitants of Russia. You might lump together four-fifths of the various peoples now separately enrolled at Geneva, and yet come short of the combined weight of the Soviet State and the Reich. So much for quantity. The higher argument is still stronger. As regards civilised quality it will hardly be contended that the nominal inclusion of the Chinese myriads compensates for the absence of Germany, or the myriads of Hindustan for the absence of that largest and, in some ways, freshest of white races, the Russian. Apart from those excellent but microscopic fractions — their intelligentsia — the yellow and brown multitudes are innocent of any consciousness of belonging to the League. We see at once why in quality even more than in quantity the League of Nations is not yet in any wise equal to that claim, nor has it approached the primary work of putting itself on a strong basis.

To have Russia and Germany in its ranks would change all that. On the Council, no single Great Power, and no two in tacit collusion, would be so easily able, as now, to start or stop the machinery of the League just as diplomatic tactics required; to use it for the ends of the old statecraft on some occasions, and others either to ignore it altogether, as in the case of the Ruhr, or to defy it with impunity as in the cases of Vilna and Corfu — instances where the gravest practical and moral issues for Europe and the world were in question, the plainest matters of right and wrong at stake. If Russia and Germany had permanent seats on the Council with Britain, France, Italy and Japan, there would be a wider distribution of influence and a far stronger probability that relatively disinterested justice would be meted out; and that the law and spirit of the Covenant would be more impartially applied to every Power and to every State. The peaceful pressure in favour of sane settlements could be made incomparably more effec-

tual than now and, indeed, irresistible. With Germany and Russia in, the inseparable series of economic problems which must be solved together, before Europe can hope to recover, could be taken in their connection. Reparations depend on the promotion of general commerce; this depends in turn upon the restoration of sounder finance and more normal credit; but yet again, budgets, currencies and exchanges cannot be stabilised by domestic measures alone, only by concerted international action. The will and power to repay war debts in continental Europe cannot exist without these other measures. In arranging to pay her debt to America, while she has a million and a half unemployed in her streets, and while there is no prospect that she will be repaid more than a small fraction, if that, of her own enormous war-loans to the Allies, Britain has done the right thing. But she has done a very serious thing for herself; and for her pains, in making her separate effort to square her accounts, she is widely regarded as a traitor to Europe. The enlarged League, embracing the whole of Europe, could grapple in earnest with the work of evoking order out of the economic chaos.

The territorial problems could be approached in another way by a series of conferences, not attempting final solutions but seeking to negotiate working compromises. Under the auspices of a League, so powerfully reinforced, states like Finland, Esthonia, Latvia would be persuaded to realise that self-determination has its duties, as well as its rights; that in the modern world it cannot be allowed to mean selfish determination; and that special commercial and railway arrangements must be made giving the Russian people, once more, free access to the Baltic. In other parts of Europe, bearable relations could be established in the same way. Men who want to put the world right must now school themselves to work gradually "unhasting and unresting." They must try to remove one by one the more acute points of friction, and above all to bring back after ten years of war and sub-war, the atmosphere and mentality of peace. Something greater still might happen. It is very possible that an enlarged League might be the means of solving the Franco-German conflict itself — the world's chief cause of wars — by meeting the demands of France for security as well as Reparations. There is no reason why Russia should not join with Britain in a perpetual guarantee of the integrity of France proper including Alsace-Lorraine. That would make good at last — and nothing else could make it good — the fatal flaw which has existed in the world-system since the American Senate and people rejected — inevitably, as we can now see — President Wilson's proposal to make the United States a guarantor of France. In place of that, an agreement to the same purpose between France, Britain and Russia, would be an impregnable compact; one which the German race could never hope to challenge. But equally, in return for that ironclad satisfaction, France could do her part by retiring from the Rhine and withdrawing her armies altogether from German land. If that were done, not only would France be favoured by such accumulated pledges of her safety as no other community in the Old World has ever enjoyed, but there would be a better prospect than has ever existed before of something like a final reconciliation between the French and German races. The remaining German grievances would be against the Poles, making a tangle of problems hard enough to deal with, yet not hopeless. The loss of the industrial region of Upper Silesia, the wrenching apart of East and West Prussia by a Polish wedge, are worse things for Germany than the loss of Alsace-Lorraine was for France; but in Upper Silesia an economic compromise has already been devised, and though a somewhat crude makeshift in itself, it works better than anyone had anticipated. With regard to East and West Prussia and Danzig, many things are more unlikely than a close general

understanding, political and commercial, between Germany and Poland. It is the only solution; all practical inducements make for it, as well as right reason. It is with nations as with men. Interest and self-care sometimes lead to the practical virtue which moralists on higher principles had long urged in vain.

Nevertheless, the one great thing which must be accomplished in Europe before all the subsidiary good purposes can come to their own, is a settlement between France and Britain on the one side, Russia and Germany on the other. France would have such multiple guarantees for both security and Reparations as might enable her to give back the Rhineland. If that could be accomplished, there would be a Europe again; every other problem could be solved, or mitigated, or controlled, by processes of peace under the strengthened auspices of Geneva. Political preliminaries like these would bring under reasonable management even the ominous and overshadowing problem of the increase of European military armaments to a degree beyond pre-war example. Without Russia nothing can be done to diminish this rampant evil. But if in the first instance France, Poland and Russia were to come to an agreement on relative armaments in the spirit of the Washington Conference, all the other states would be constrained to follow suit. After a somewhat searching investigation, our second question is now answered. What the present organisation, which, as now manipulated, we have called the clique of nations, has failed to do and never can hope to do, the Great League including Germany and Russia might hope to do, even without America. The system which we have conceived would be the master-key of European peace and of the world's peace.

AMERICA AND THE WORLD — THE TACIT ESTRANGEMENT — IS IT NECESSARY OR LASTING? — WHAT EVEN THE GREAT LEAGUE COULD NOT DO WITHOUT THE UNITED STATES

Europe, then, must first do its own main work. American intervention within the next few years is no longer expected. The decision of the United States, to stand apart and keep an absolutely unfettered control of its actions for an indefinite period, is understood and accepted. In a survey like this, however, we must still ponder upon the ultimate future of American influence in the affairs of mankind at large. The subject which was all-absorbing after the Paris Conference and engrossing up to the Washington Conference, presently became of lessening interest, one indeed with which the larger part of European thought almost ceased to be concerned. This is an odd paradox. From Washington to Lincoln, America was regarded by most political thinkers in the older nations, as well as by the masses of their peoples, as emphatically the Great Republic where the opportunities of free human development were widest. After the Civil War, and the abolition of slavery, and Lincoln, the influence of the United States upon the ideas of nations in general rose to its height. From the last decade of the nineteenth century there was a certain check to this attitude. America seemed to stand, like commercial Germany, rather for the highest material efficiency, for the most powerful types of economic organisation in the machine age, than for any general human cause. Then Roosevelt came; though in a manner very different from Lincoln's, he lifted once more the mood of those who had come to regard America as but a larger edition of the ordinary successful nation. He was in every sense a world's leader, and his robust stirring creed of courage and exertion had a universal influence upon the psychology of his time. President Wilson ensued. His effect was temporary and followed by an ebb as dreary as his flood-tide

was triumphing, but while it lasted it was a far more extraordinary power over mankind at large than any other American had wielded. Verily, in those times of 1917 and 1918, the part seemed greater than the whole and the United States more important both for power and guidance than all the rest of the world. The reaction has since run to lowest water. America's official withdrawal from Europe has been followed by a sort of instinctive mental withdrawal of Europe from America. This psychological result was inevitable in the nature of things, but the change is unprecedented of its kind; it is not good for either side. No concluding reflections upon the alternatives it is bequeathing to the future can evade the duty of examining whether this tacit estrangement or interruption of familiar intercourse between the United States and the rest of white civilisation is a permanent necessity.

The Great League, including Germany and Russia, and practically all the nations but America, could by itself, as we have seen, achieve results on the largest scale. Grappling with the giant problems of economic restoration, political adjustment, security and disarmament, it might do very much of the biggest part of the work required to establish the conditions of reviving prosperity and the presumption of a long peace. These are obviously huge difficulties which the United States may well regard with sympathy for men good and bad struggling against so vast a mass of adversity. We must look further ahead. In the old seats of civilisation — those homes of the highest reaches of human genius and personality whence the many-threaded web of America's people derives — the spirit of man is sore beset but not defeated. The passing years of themselves will bring rallying-power from the war of exhaustion, but it would not enhance America's status, nor would it be the most satisfactory thing for her coming generations to remember that the greatest and best work in common for a half-ruined earth was done without her, as well as might be.

European thought meditating on the future of peace or war, yet not looking for America's entry into the present League of Nations nor for any binding connection between Washington and the League, reasons upon things obvious as follows. Some definite participation of the United States — intervention is no longer the word — in the general effort to save the future of civilisation and mankind, would of itself be infinitely good for the rekindling of human faith, hope, and energy. For a second thing, America's voice in any concert of the Great Powers — such as must be the real directing agency, if practical idealism is to work by apt instruments — would be more impartial and unhesitating in applying any agreed rule to all powers and states alike. For a third thing, the chief controlling device and regulator of any peace system could not work properly in the hands of the Great League if the United States were totally unconcerned with its purposes. The deterrent to any nation inclined to break saving rules — and the means of restoring speedy respect for the rules — if an incited violation occurs — is the economic blockade and especially the sea-blockade. But Britain, which would have to be the maritime right arm of a Great League without America, no longer wields an unconditional naval supremacy. Under the Washington Agreement she divides the sovereignty of the seas with the United States. Britain cannot act wisely in any matter of blockade unless she is sure of the support of the United States. America has taken joint responsibility for what Mahan might well have called the continuing influence of sea-power upon history. Sea-power is not a local thing. It is as universal, either in direct or indirect effect, as the seas are one. It acts at a distance. Joint responsibility for the use or abeyance of sea-power; and non-responsibility for the general fortunes of civilisation — these represent contradiction in terms.



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Pius XI who succeeded Benedict XV as Supreme Pontiff in 1922.



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Benedict XV, elected Supreme Pontiff in 1914; died January 22, 1922.

PRACTICAL POLICIES FOR AMERICA — ELIMINATION OF ARTICLE X — WHAT SYSTEM? — (I) A NEW WORLD-COUNCIL — OR (II) AN "ASSOCIATE" AGAIN? — COÖPERATION WITHOUT ENTANGLEMENTS

At least the situation as it existed at the time of Mr. Wilson's struggle is practically won, and could be formally won at any moment if a request is totally altered. The main points of the Republican party in that struggle in that sense were addressed by Washington to Geneva. Article X, the centre of the political storm in 1919, declared, it will be remembered, that "the members of the League undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all members of the League." But we have already scrutinised the present truth with regard to this. Who would now guarantee with such unconditional temerity the non-Polish territories of a Poland weakened by exaggeration? No one. Who would guarantee any existing frontier in eastern Europe? No one; except such nations, immediately concerned, like the Little *Entente*, as are forming for themselves group-systems of insurance — really military alliances of the old kind, though the Covenant suppresses the word. No one any longer in Europe takes seriously Article X as a collective obligation. It is dead. The Canadian amendments already propose that no nation under the Covenant, without such supplementary, specific agreements as every nation is free to enter into or not, shall be bound beforehand to engage in any kind of hostilities without the consent of its legislature. Washington, by lifting its finger — if it thought the matter worth while, which it does not — could make this drastic amendment the law of Geneva. America if it wished, which it does not, could join, forming the Great League indeed, the full World-Council, while remaining absolutely as free as now from compulsory entanglements of any kind. There is no other proposal for amending the Covenant or altering the working methods of the League which American statesmen and jurists could put forward but would be considered at Geneva, with certainty of amicable agreement if the United States were inclined to complete the circle of nations in that way. But the devastating controversy between parties has raged in the United States, and as a result the name and cause of the League have been deeply bedevilled, despite the entire willingness of Europe to make vital changes in the Covenant in the sense demanded by republican criticism.

What then? Are we to say there is no other plan? As America's great alternative to the Great League, can we frame in our minds the definite conception of another world-system establishing a practical association between the United States and the rest of mankind for the purposes of peace? To some such system Mr. Harding's first Presidential message and the utterances of other Republican leaders seemed to point. To an observer above the battle, it seemed at that time that American instinct as a whole, in spite of furious and most intelligible contest upon grave details, like Article X, was almost at one in desiring some League, if not necessarily this League. That this instinct still has some part in underlying American feeling there seems little doubt, and as little that it will more and more correspond with America's interests in every respect.

Accordingly, a new peace system — if rejection of the new Geneva catechism, however modified, must remain a condition — might be attempted in either of two ways: Washington might concentrate on the main business of peace and on everything appertaining thereto, excluding all the admirable side-work of philanthropy which Geneva undertakes, and might seek to promote the one vital cause by a very simplified procedure, the Washington Conference forming the original model of a permanent method, as President

Harding at first seemed to hope. America on this basis could institute regular international conferences. In the end they might even be annual; not all the smaller States would be included though all their rights would be considered. The members of such a more compact world-council would bind themselves not to undertake hostilities or punitive seizures of territory without entering into previous consultation with the other members of the world-council and seeking its unanimous support towards securing redress by pacific measures. All other states would be warned that hostilities without previous resort to some manner of mediation or arbitration would mean economic blockade by the members of the world-council. This would be an altogether more concentrated system than that of Geneva; it would sacrifice to simplicity many claims of elaborate logic as well as the susceptibilities of the more microscopic communities — at Geneva the ants and the elephants go together into the ark. But it would be a peace association capable of strong, progressive work; and if Washington were resolved to be the life and soul of it and to make it as useful as possible to all members, it might be all-powerful. It could be made an efficient instrument for the main purposes — the prevention of war whether by "outlawry" or otherwise.

But the second alternative — always remembering that neither is yet practical politics in the United States — is raised by great existing facts. The present League of Nations, so far from being likely to dissolve promises to become broader and stronger in the Old World nor are the Latin American States likely to secede. The question must therefore be asked — whatever the answer — whether it is not possible to establish some regular working system of free American coöperation with the League. To achieve that harmony some day would ensure, for any American President or statesman, a very honourable name in general history. The result would be of high advantage to the world; could not by any chance be detrimental to America; and almost certainly would be as advantageous to America as beneficial to the rest. Coöperation with the League, while not accepting membership, might be carried out in a very plain and adequate way. Every year a United States delegation might meet in joint session a delegation of the League. To hold these joint sessions in Washington and Geneva by turns could do nothing but good to both sides. The two delegations would exchange annual reports upon the outlook for world-peace and compare recommendations for the forwarding of that cause. The United States, reserving more freedom thereby, would be an Associate to the peace system of the League, somewhat as it was an Associate to the Allies in the war. This method also would mean ample and even superfluous precaution against the obnoxious entanglements; but it would admit of efficient, continuous partnership in the work of promoting peace and recovery. The Associate, in spite of that less formal title, was the leading power in the world's greatest destructive crisis; working with the League by the system of joint delegations, the United States could be as certainly the chief guiding and shaping influence upon that greatest constructive task in history which confronts the world now. The American delegation could keep at Washington a permanent secretariat and record office of its own. The expense modest, the thing essential. The League's representation, on its side, would be a selected member of the ablest men — a better body to deal with than either the Council of Ten at Geneva, as at present constituted, or the large and miscellaneous Assembly. The joint sittings would ensure a vital contact of minds. Considering every year in a broad survey the progress or the throwbacks of the cause of peace — the opportunities, dangers, remedies — this alternative form of world-council, by facing definite tasks, and agreeing upon specific action in the temper of the

Washington Conference, could do more than the League without America can ever accomplish.

If such a scheme were ever brought about the United States could bring the deterrent force, now practically in abeyance, into sure, impartial play by not only consenting, but insisting that the economic blockade, backed by the American navy no less than by the British, must be put into prompt operation against any Power or State whatever resorting to hostilities, seizures or invasions of territories, violent armed measures of any kind, without first invoking mediation, or arbitration, or judicial process through the International Court of Justice. What is needed above all is some supreme tribunal both more authoritative and dispassionate than any executive council at Geneva can hope to be until America is added to it. But if the United States decides not to be closely drawn in on any terms, nor to tie its hands in any way; if America prefers for peace as for war to act as an Associate, then the system of "co-operation without entanglement," which has been sketched, might be made capable of saving uses, and well worthy both of America and of the tasks whereon depend the confident security and resumed progress of civilisation. This method of regular working between the United States and the enlarged League by means of joint delegations meeting in annual conference at Geneva and Washington in turn, might lift this question as high above party controversies in America as its Supreme Court already stands.

WHY AMERICA MUST MOVE — INTERDEPENDENCE OF NATIONS — MODERN CONDITIONS OF WORLD PROSPERITY — ECONOMIC INDUCEMENTS AND CONSTRAINTS — DEBTS AND TRADE — LATIN AMERICA AND LATIN RENAISSANCE IN EUROPE — THE MONROE DOCTRINE AND GENEVA

A number of very different reasons, bound to operate in the future with converging and cumulative force, make it improbable — in the view of men looking in a historical temper far beyond the moment — that the present degree of American isolation can continue. Yet when America re-knits connection she can play no secondary part; certainly no smaller part than that which would make her the great Associate of the Great League in a joint system permitting "coöperation without entanglements." The factors making silently for this development may be taken in their order.

The markedly diminished belief of average mankind elsewhere, in the relative value of American institutions as an element in civilisation at large, is a fact with which statesmanship, intellect and opinion in the United States are not likely to remain content; just as they are things not wholesome for the rest of the world so largely swayed between Bolshevism and Fascism, and needing more than ever its former faith in the American example of democracy and law.

Next consider the economic reasons. They must grow. The commercial interdependence of nations — the requirement of a maximum flow of exchange for general prosperity buoyant and assured — this is an irrevocable law. It cannot be changed even by the war: the process had gone too far before. Europe is normally an immense consuming continent of over 400,000,000 inhabitants. It represents more than half the consuming power of the world. While it remains so deeply impoverished, so dislocated, so convulsed, the reduced European demand must depress prices for American producers and restrict the scope for American enterprise. Even Brazil, to take but one illustration in passing, cannot buy what she might from the United States until Germany can buy as fully as before from Brazil. The profound industrial depression of Great Britain means, in the same way, the disable-

ment of more millions of America's customers, not only in that island, but in many other countries. While this state of world-economics lasts, America's own periods of good trade, in spite of her matchless internal advantages, must be more fleeting than they used to be and the reactions severe.

Pass to another factor. America desires some more general repayment of European debts. So far as not repaid, they are a political hold to be used for salutary purposes. The question of debts cannot be dealt with apart from the renewed growth of armaments, nor these without the political conditions which have inevitably produced them. In this sphere the financial and political problems are interlocked; nor can America, proportionately to that large part of her war-loans little likely to be repaid, derive the benefit of economic restoration without aiding in it and making her timely stipulations.

Part of Europe remains the seismic centre of world-politics, but what of their perimeter? Still larger issues for the American people are suggested by the facts and presumptions of world-politics. Latin America is the nearest issue. Secretary Hughes has declared that the United States reserves to itself the "definition, interpretation and application of the Monroe Doctrine." This formula leaves the technical position as any Republican administration might have described it in the same terms before the war. The moral position is not the same but vividly altered. Seventeen nations of Latin America are members of the League. Owing to their number — though some half a dozen of them together represent a population less than that of Ohio or Lancashire — they play a disproportionate part. They can usually elect in the Assembly two representatives to the Council of Ten which directs the League. Their best delegates are excellent members. They have at Geneva a certain sense of higher status and prestige than they feel in pan-American Assemblies on their own side of the Atlantic. In Europe they meet the statesmen of France and Italy, Spain and Portugal, and they feel doubly at home. Affinity of temperament and mutual comprehension of ideas are reinforced by a new sense of racial pride. One of the signal results of the war has been a renaissance of Latin self-consciousness and self-confidence. We may know it to be true that without the terrible naval and economic machinery set in motion against the Hohenzollern and Habsburg empires by America and Britain, and without their direct military aid, the Teutonic race would have crushed as never before its Latin opponents, and destroyed them. But the really decisive forces of the world-struggle were too largely invisible. Men in the mass judge by the external drama, by the immediate appearances. To France the result of the war is mainly a French victory; to Italy, Vittorio Veneto seems entirely an Italian victory, though gained when the Habsburg Empire and its armies had been reduced to a state of decomposition by the cumulative effect of far different forces, such as the exhilarated mass of Signor Mussolini's followers, like the large majority of the French people, do not begin to understand.

The Latin races, though they much exaggerate in this way, have reason enough for high pride in Latin achievements. The part played by France and Italy was glorious and vital to the common victory. In any case, in our study of facts and influences as they exist, however caused, we must take these psychological actualities for what they are. On the one hand, owing to the isolation of the United States and the unprecedented disabilities of Britain, the English-speaking races as a whole play a far less influential part in the thought and action of the world than at any time before the war, while the wide Latin family is not only more exalted but, by comparison, more united. The mental orientation of Latin America never was so steadily set towards Europe. The reciprocal interest of Spain and Italy — as of France in a more general way owing to the less close racial connection — never was

so much alive. These processes cannot, within any period which there is need to consider, bring about concrete results disadvantageous to the Monroe Doctrine. But thoughtful opinion in the United States has never held it enough for the Monroe Doctrine to be an imperative mechanism unsupported by the encouragement of intimate sympathies. South Americans feel that, at least, in the sphere of world-politics they are not led but leading; that they are in advance of the great Northern Republic — in other ways almost their suzerain — in their attitude towards the common work of civilisation. Accordingly, in the long run it may become of very real and far-reaching concern for the United States to participate by some large means in the new relations between Europe and Latin America rather than allow those relations, quite certain of becoming stronger as time moves, to develop without her. It seems beyond doubt that the moral and practical leadership of the United States in its own hemisphere would be sensibly reinforced, as well as elevated, by some ultimate form of definite intercourse with the League wherein the delegates of South America are conspicuous.

THE CHINESE CHAOS — EUROPE AND ASIA — THEIR INSEPARABLE REACTIONS — CHINA, RUSSIA AND JAPAN — AMERICAN INITIATIVE IN THE FAR EAST URGENT — IT MEANS A WIDER WORLD-SYSTEM OF COÖPERATION — NECESSARY SEQUELS TO THE WASHINGTON CONFERENCE

Nor is this all. A yet more momentous issue is rising on a broader horizon. These pages opened by showing how events in the Far East, 30 years ago, mainly contributed by their reactions on Europe to bring about the catastrophe of the World War, the end of a distinctive age of civilisation, the transformation of the world's political and economic conditions, the profound disturbance of all former ideas in the mind of man, white and yellow, brown and black. No one can guess all the consequences; we only know that we are but at their beginnings. If America could sever herself always from results on the other side of the Atlantic, she could not from results on the other side of the Pacific. Geography, which ought to be the basis of education, is still of all subjects perhaps the least well taught, despite the illuminating advances made by its experts during the last few years. One of the popular errors persisting regards Europe as a separate continent; but it is none such. Even Russia proper is more broadly connected with Asia as a whole than is, for example, India, shut off by stupendous mountain-barriers and like a world to itself. Even western Europe, with the intensely organised and enriching qualities which its vital progress has created — we may say so much for it, despite its temporary chaos — and with its almost fantastic tangle of sea-bathed peninsulas and its memorable islands, is geographically a small, highly specialised projection of the huge Asiatic land-mass. Physically, Europe–Asia are more one than North and South America. The United States looks one way to the Atlantic and another way to the Pacific. Even so Europe–Asia ranges between both these oceans. Russia starting from near Germany — a little further away now but still near — stretches right through Asia, and marches with China until she neighbours Japan. Britain on different terms, but still fulfilling a function irreplaceable as a safeguard against anarchic dissolution, is in Asia as in Europe. At last, the United States, continuing to dissociate itself altogether from the state and fate of this geographical aggregate, would feel the effect from the Asiatic side.

While amidst our other distractions we have all nearly forgotten what the Far East means, most competent witnesses think that the Chinese problem cannot be left alone; and that it cannot be dealt with except by American co-

operation with Europe in conjunction with Japan. We have made some passing references to the Chinese problem in earlier pages. The fewest further words upon its nature and magnitude must here suffice. Amongst a population as large, or nearly as large, as that of all Europe, there is a condition of disruption, tumult, military rivalries, political discords, corruption, brigandage and financial chaos, such as the strongest terms we use about disturbances in the rest of the world are unable to describe. It may be said that these periods of disintegration have been recurrent in the records of the main yellow race, and that tolerable unity and order always have been restored in the end by the imperturbable endurance and good sense of a people whose great family-cult make it socially indivisible. This is true. But even in the past, recovery sometimes required many years, and in the twentieth century all conditions are changed. The elements of modern education in these rivalries, their access to modern arms, nourish the antagonisms and prolong the chaos. The best foreign authorities resident in China believe that it might be 20 or 30 or 40 years before China could emerge from the existing anarchy without international action of a wise and limited kind. Meanwhile, the interior is becoming more unsafe for the lives and interests of Europeans and Americans alike. We have noticed how the astonishing success of the Turks under Mustapha Kemal in abolishing the capitulations inspires in Young China, and especially in the Cantonese, the dream — how should they necessarily suppose it will not come true? — of eliminating similarly that present privileged status of the Treaty Ports on which the whole position of foreign commerce and enterprise is founded. The Soviet State has had some of its cleverest emissaries working in China, especially in the south. Japan is equally sedulous in the north. Neither Russia nor Japan are to blame. They are both neighbours to the anarchy; like other Powers, they must watch their immediate interests and concerns. After the Washington Conference, Japan kept her word punctually with regard to the Shantung evacuation, but access to the mineral ore and raw products of China is the basis of her new industrial life. Though her policy towards the Chinese has often been the reverse of sagacious and skilful in method, its objects are what every other Power in her place would pursue. So in our western dealings with Russia, we cannot have it both ways. We cannot refuse full intercourse with the relatively stabilised Soviet State of to-day, and at the same time expect it to refrain from working for such an influence over China as might ultimately change the balance of the world. This conception of the Russian mind, like some other large conceptions we are apt to ignore, derives unchanged from the Tsardom, and is common to Bolshevists and Nationalists alike.

It would seem that no question outside America is likely to become more urgently America's concern than the Chinese problem in its grave circumstances and graver contingencies. Nothing but the initiative of Washington can stay the drift of disaster. Britain cannot take the initiative. In this direction, above all, the work of the Washington Conference ought to be carried on, but upon an enlarged basis. To establish a standing foreign control of Chinese administration is not the object. That would mean an endless entanglement. The object is to help China decisively to reëstablish unity and order under her own administration. For this purpose, in the view of those whose fully discriminating knowledge of the Far East makes their opinion most weighty and balanced, two parallel conferences are required such as the United States and no other Power could secure. One would be a meeting under truce of representatives of the various Chinese groups and sections. Money is the essence of their question, just as to restore sound Budgets is the key to the economic recovery of Europe. The

Conference of Powers under America's leadership could provide the inducement to unity by agreeing to raise the Customs' Duties at the ports, and by this measure of equity to provide a Chinese Government with revenue — and other aids at need — sufficient to ensure the reëstablishment of its authority throughout the provinces. It is by no means impossible that as a result of these steps led by Washington, the real unity of China might be reëstablished by consent. The status of the Treaty Ports would be reaffirmed. The general advantage to foreign trade and enterprise, as well as to the Chinese people in the mass, needs no emphasis. There is here the opportunity for one of the best single strokes of statesmanship that the present extremity of international complications permits.

Two reflections enforce themselves. In the first place it is quite possible that before the end of the present century — and perhaps within a period not much longer than this general survey of our own time has covered — the pressure may be once more, as in former ages, from Asia upon white civilisation, reversing the opposite process relatively recent and in its nature temporary; while any long view must obviously suggest that the United States alone, no matter to what height of development it may arrive, cannot permanently maintain the general interests of white civilisation even in their just degree. In the next place, the immediate necessities of the Chinese problem can only be dealt with by coöperation with Europe as well as with Japan, and that coöperation for this far-extending question of the future of China implies some continuous arrangements.

THE HAZARD OF WHITE CIVILISATION — A BROKEN THING — PEACE OR SELF-DESTRUCTION — AN ANSWER TO PESSIMISM — THE WAR RECEDES — THE NEW GENERATION — "MAN'S UNCONQUERABLE MIND"

For a long time yet the right guidance of the world and its safety must depend upon white civilisation, and its restored community of thought and action. With America as a detached system; with Russia banned after a terrible revolution brought about by the grossness of Tsarist incompetence and abuses, though not so much worse in modern eyes than the French and Cromwellian revolutions seemed in their time before they, too, came back to order; with Germany prostrate; with France militant in her sense of right and in her doubt of the future; with Britain stooping under burdens and set about in all her ways by more manifold difficulties than she has ever known; with the rest of Europe swayed hither and thither by abnormal movements — white civilisation is a broken thing. Even the relative influence of all the English-speaking peoples upon the mind and purposes of the world, is notably lessened. They do not give the desired leadership. In their post-war relationships, after a brief, immortal comradeship in arms, they reflect the moral disarray of our time. As regards the main question for all the future, they have no great impulse in common and no clear aim. They know that if the motives and risks of war are allowed to grow unchecked for a few decades as between 1871 and 1914, the utmost development to which intellect, science and mechanism can reach will only be perverted to that final self-destruction making the legend of Frankenstein the symbol and epitaph of the white world.

Yet men do not commonly succumb to dangers so generally foreseen. At the least, we might say to pessimists that these are early days for despair. The long disorders and confusions following the world-struggle may yet be judged, in the calmness of historic perspective, as a sequel almost normal by comparison with the violence of the convulsion. The war recedes.

The generation whose young vitality defies its lessening shadow is coming nearer every day to its time of prevailing control in human affairs. New energies are rising in the lands most lacerated and ravaged by the conflict, as wild flowers in their season cover every battlefield of Europe. The forces working for lasting peace and settlement in the world are wider, deeper than in any epoch before, if the perils are in many ways as much greater. As passions blinded by recent conflict and subsequent exasperation die out, those forces demanding the reign of law between nations, as between persons, will become stronger still. The democracies will never again make the massed sacrifices they gave in the last arbitrament of death. The present League of Nations is not the sufficient effort, but the general movement against war is only beginning. It is the movement of the century. That America's aid by some path will yet march with this spirit or lead it, we have seen, in this retrospect and prospect, considered reason to believe.

THE GERMAN SITUATION AT THE CLOSE OF 1923 — POINCARÉ STILL DETERMINED TO HOLD THE RUHR — FRUITLESS MONARCHIST COUP D'ÉTAT IN MUNICH

The European events of the last four months of Germany's new *année terrible* and of the opening weeks of 1924, deserve to be examined in some detail. Down to the very beginning of September there was lingering hope in Berlin, while equally in Paris there was some anxiety below the surface. Germany's internal resources were indeed on the point of exhaustion but the dream of foreign intervention was not quite dead. That spark was now quenched by a sudden whirl of accidents and consequences outside Germany. The British Government after long reluctance to join serious issue with M. Poincaré had taken the decisive step, upon the authority of its law officers, of declaring the Ruhr occupation to be a breach of the Treaty of Versailles. Much depended upon securing the adhesion of Italy to this view. This was in the middle of August. Within a fortnight, as we have seen, the Italian mission was massacred on the Albanian frontier and Signor Mussolini instantly launched his ultimatum on Greece. From that moment, everything played into the French Premier's hands and in another fortnight he had completely won the diplomatic game. The British representative at Geneva, Lord Robert Cecil, proposed the intervention of the League of Nations against Italy, although no interference with France had been dared. Liberal but unwise voices in the London press threatened Rome with an economic boycott. Italy turned with fury against Britain as against the League. Promptly supporting Italy on the Corfu question, France paralysed British diplomacy on the Ruhr question. There was an unfounded fear that the Italian Dictator might attempt other Mediterranean adventures hostile to British wishes. On September 19 the British Premier, Mr. Stanley Baldwin, met and figuratively embraced M. Raymond Poincaré. It was announced to the world's astonishment that London and Paris were again in perfect accord. M. Poincaré had yielded nothing. It was the end of a chapter.

A few days after, the German Chancellor called together the Ministers of the Federal States and local representatives from the Ruhr. There was nothing for it now but Germany's surrender, total and unconditional. An economic Jena had laid her prostrate; and the wits called M. Poincaré "Napoléon Quatre," as Kerensky, in his moment of magnificence, had been called Alexander IV. In vain had Herr Stresemann in these last weeks multiplied his offers of mortgaging all German property, public and private, for Reparations if France would relinquish the Ruhr. M. Poincaré would dis-

cuss nothing whatever until capitulation was absolute and humiliation unexampled. On September 27 Berlin ordered the end of passive resistance. The news, though expected, tolled through Germany like a knell. France overwhelmed M. Poincaré with congratulations. The nationalist journals in Paris wrote that the "death-rattle of the Reich could be heard at last." Through many weeks of chaos and threatened dissolution, they had some reason for thinking so.

The nightmare through which Germany now passed was in some ways the darkest and most bitter episode of her history since the Thirty Years' War. After five years of illusion, that people felt that they were beaten, conquered, crushed to the earth — as they had not felt after the Armistice when their armies, though stripped of all great weapons, marched home with unbroken ranks, bands playing, colours flying. Grief and despair, patriotic passions, local antagonisms, class hatreds, raged together. The mighty fabric of political architecture raised and consolidated by Bismarck in 1866 and 1871 shook and swayed; and as its western wing had fallen under the strokes of the French battering-ram, gaping fissures appeared in the rest. The Reich on every side seemed about to break up. Germany might disappear like the Habsburg Empire leaving half a dozen small succession-states behind. France counted on this; though passive resistance had ceased, still M. Poincaré, contrary to his repeated declarations beforehand, refused to negotiate. France would much rather see the Reich break up than pay up. The rest of Europe held its breath.

Immediately after the surrender, Bavaria, the stronghold of monarchism and nationalism, revolted against Berlin and appointed a dictator, Von Kahr — a vigorous, heavy-handed man in Prince Rupprecht's confidence. The aim of this movement was not separatist. Bavaria meant to work later for the restored unity of the Reich on modified terms, but meant meanwhile to look after itself against dangers within and without. Without, as Munich saw it, there was the Socialist peril. Unemployment was spreading right and left in industrial Germany. The Communists might find their chance in this turmoil. Neighbouring Saxony and Thuringia were under Red Governments; but while these regions are industrial, Protestant, and intensely Socialist, Bavaria is mainly agrarian, Catholic and Conservative. More than in Italy, Hungary or anywhere, the German patriotic and anti-revolutionary bands were resolved to fight Bolshevism to the death and to take their precautions in time. Bavaria was their citadel, and Ludendorff himself their man in reserve. Behind him, or rather in front of him, was Adolph Hitler, the decorative artist from Austria, turned noisy and militant demagogue. His activities and incitements had created the formidable-looking legions of the National Socialists. These bands of avowed Fascisti were conspicuous for violent temper and vivid method. In every town and valley of Bavaria — as in many places in Austria — their orange and red posters were seen. With the *Hakenkreuz* (or *swastika*) for their symbol, Hitler's columns paraded with rubber clubs, dividing their execrations between the French, the Jews and the imagined medley of Republican incompetents and rank traitors at Berlin who were accused of bringing about all Germany's disasters. Many Bavarian monarchists, however, wished to raise Prince Rupprecht to the throne at Munich, and dreamed of a restored German Empire under the Catholic Wittelsbach line; while Ludendorff and Hitler were rather for restoring the Protestant Hohenzollerns under the Crown Prince or his son. As if these troubles were not enough for the distracted Reich, the French and Belgians began to let loose the spurious and for the most part ruffianly separatists who had long been secretly encouraged and subsidised in the Rhineland. Though despised and loathed by nine-tenths of the unfortu-

nate population in the occupied regions, the separatists began by descending on Düsseldorf, and when the inevitable riot occurred, French troops stood by while a couple of fallen German policemen as they lay on the street were brutally beaten to death.

Could anything save Germany? There were still tough and shrewd personalities at its head — the solid, honest sadler, President Ebert; Stresemann himself, bold and dexterous; and an enigmatic but competent soldier, General von Seckt, the head of the Reichswehr. He was loyal to the Reich in this desperate crisis, and the forms of parliamentary Government for the whole republic survived. An Emergency Powers Bill equipped authority in Berlin with the full civil and military resources of dictatorship. The successive strokes which saved German unity in spite of all — outside the occupied territories — were well planned. The first move was against Saxony where at the end of October the semi-Communist Government was suppressed, and replaced in the name of the Reich by a Civil Dictator, after troops had occupied the Diet-House and all the Ministries. Next in Bavaria, matters were drawing rapidly to a head. Whether civil war and the general break-up could be avoided in Germany was still an open question. On Thursday, November 8, the fifth anniversary of the German Republic, Hitler with a National Socialist Guard broke into a meeting which the Bavarian Dictator, Von Kahr, was holding in the *Bürgerbräu-Keller;* and proclaimed the deposition of the Bavarian Government. Hitler announced his own leadership of all Germany, with Ludendorff as Commander-in-Chief. That night, soldiers as well as *Hakenkreuzer,* marched through Munich with bands playing and banners flying, while next day the Bürger-Keller was openly Ludendorff's G.H.Q. Unbounded enthusiasm and optimism prevailed for a few hours. But the principals in this insurrection were not up to their parts. Hitler was dishevelled and overwrought; Ludendorff anxious and unsure. Neither seemed to know what to do next. Von Kahr outmanœuvred them both. He first seemed to accept the revolution, but concerted measures rapidly with General von Lossow, commander of the Reichswehr in Bavaria. Posters appeared in Munich denouncing Hitler and Ludendorff as traitors, and ordering the National Socialist "storm-troops" with all other irregular bands to dissolve forthwith. Unable to believe that the game was lost, Hitler and Ludendorff tried to march through Munich at the head of 5,000 men. They were trapped in narrow streets by General Lossow's well-posted Reichswehr troops who opened fire with rifles and machine-guns. The regenerators, in this situation, fled in all directions at the first volley, throwing away their arms. The revolution was utterly crushed in half an hour. When Ludendorff gave himself up tamely, the reputation of a very great soldier had suffered an ignominious blow. Hitler, who had escaped in a motor-car, was captured a couple of days later when only forty miles away. This drama, however, must not be hastily misunderstood. It saved Germany, indeed, in her direst hour, from civil war and collapse. So far it was a victory for the Reich and unity; but not for Berlin. Bavaria under Von Kahr, again supreme and with fresh laurels, remained entrenched in its own right, still demanding drastic modifications of the Weimar Constitution; while Cardinal Faulhaber, the Pope's Legate, was a splendid and powerful figure representing the special support of the Vatican. The Hitlerite bands, temporarily dispersed, might be used for other purposes under other leadership.

RHENISH SEPARATISM FOMENTED BY FRANCE — THE MURDERS AT SPEYER

On the side of the Rhine, the occupied territories were excluded from the relative pacification, and plunged in disturbances for the rest of the year and into the beginning of 1924. The French worked hard to galvanise the artificial separatist movement into real life, first in one part of the subjugated Rhineland then in another. The bribed gangs of adventurers and gaol-birds failed in city after city though spreading terror for a while. The Belgians became disgusted with this scandal in their zone, and put down the separatists in Charlemagne's town of Aachen. The French were more loath to abandon a discreditable cause, but its leaders made it still more hopeless by sordid and ludicrous quarrels. At last, by one of the sinister repetitions of history, the disruptionist efforts of the dominant Power were concentrated upon the small but historic district of the Palatinate. Though belonging to Bavaria, it lies somewhat apart upon the west bank of the Rhine. Numbering nearly a million of people, half Catholic, half Protestant, it borders Alsace-Lorraine and as commanding one of the chief Rhine passages — from a strategical point of view — it has been desired by France for centuries. Under Louis XIV the ravage of the Palatinate left one of the worst evil-breeding memories of Franco-German annals. Speyer, the local capital, has the ancient romanesque cathedral, known to many students of mediæval and Reformation history; and at Speyer the Reformers first took the name of "Protestants." Such facts must be taken into account if we are to realise how modern facts may shoot from the old roots of things. The separatists were particularly encouraged by General de Metz to seize the control of Speyer and the "Pfalz," though the heads of the Protestant and Catholic churches equally protested that the usurpation was against the will of 99 per cent of the inhabitants. Communication with the other side of the Rhine was interrupted: espionage and intimidation reigned. At the beginning of January, 1924, Herr Heinz, the separatist self-styled "President" of the Palatinate, was murdered with two other persons in a café in Speyer. The British Government, which had strongly protested against all these disruptionist efforts in the Rhineland after Germany's total surrender on the Ruhr question, now insisted on sending one of its consular officials to carry out an independent enquiry in the Palatinate. Though this could not be prevented, it was another incident inflaming the chronic irritation between London and Paris. Summing up in January, 1924, it is safe to say that the practical unity of the Reich, so far as it is exempt from direct foreign military control, has been everywhere preserved by the feeling of the overwhelming majority of the German people. The armed occupation of the Rhenish lands, including 12,000,000 of Germans, seems likely to continue for years — as another and many times larger Alsace-Lorraine — but the desired disguise, an apparent consent of the conquered, cannot be obtained.

PRESENT STATE OF THE REPARATIONS QUESTION — POINCARÉ ATTEMPTS TO FRUSTRATE FINANCIAL STABILISATION OF GERMANY

From this memorable ordeal for the political existence of Germany, we must turn now to the parallel question — the economic sequel of the Ruhr surrender and its bearings upon Reparations. As has been noted, through the recent weeks of almost mortal crisis, the French Premier ignored all the entreaties of Stresemann and the Reich, insisting instead upon direct nego-

tiation with the Rhenish industrialists; including Herr Stinnes, the German plutocrats and profiteers — mostly the least attractive beings of their type in the world — who had been largely responsible for their country's misguidance before the war, during it, and after. But they had turned every successive phase to gain, and many of them, growing richer and richer in all circumstances, had battened on German miseries like vultures on carrion. They now declared that the masses must again bear the brunt, that French demands could only be fulfilled by the abolition of the eight-hour day which the workers regarded as their chief compensation in all their troubles, and by restoring a ten-hour day. The resistance of the Socialist parties to these proposals brought about repeated Cabinet crises in Berlin, but it became clear that to save the eight-hour day was past hope. To pay Reparations now, the entire people would have to strain itself to the core, and the balance of social justice could only be approximately redressed by ending a farcical system of nominal taxation — the real scandal and folly of German conditions in the inflationist period — and forcing the capitalists to pay their severe share. A fortnight after the collapse of passive resistance the falling mark had out-rubled the ruble and soon after was down to the idiotic figure of 50,000,000,000 to the pound sterling. A penny or a cent could buy as many marks as before the war might have dazzled Croesus in a dream. As a first serious effort towards stablising the currency, a new standard, the "Rentenmark," was introduced, secured by mortgages on agriculture and industry, with elaborate precautions for maintaining its value for at least a provisional period pending stringent taxation and the balancing of the Budget after a definite settlement with France on Reparations.

But this settlement the inexorable M. Poincaré still refused to expedite. Instead, in consequence of the Crown Prince's return from Holland to his Silesian estates, France in November demanded the resumption of strict military supervision and control in Germany and threatened more "sanctions" in case of demur. These further punitive measures were prevented for the time by British resistance. In the financial problem there was still no glimmering of daylight. Between France and the Rhenish industrialists, whose private negotiations — though inevitable — roused the anger of the rest of Germany, there were repeated hitches. The German Government declared again and again that it could pay no further subsidies to the Ruhr and the Rhineland while the French occupation remained. For the general population, on the other hand, France refused to take any responsibility. At last, on November 23, the Düsseldorf agreement was reached between the Westphalian owners and the Franco-Belgian M.I.C.U.M. (*Mission Interalliée de Contrôle des Usines et Mines*), popularly known as the "Micum." The compact provided chiefly for the resumption of free deliveries of coal — no less than 18 per cent of net output — while in future a tax of ten francs was to be levied on every ton of coal sold; coal-tax arrears since the beginning of the Ruhr invasion were to be paid; and accumulated stocks were to become the property of the invaders. This arrangement was to run up to April, 1924. German experts doubted whether even with a ten-hour day the agreement could ever be fulfilled owing to the dearness of Ruhr products which would result. And the validity of the Düsseldorf agreement was contested by Britain, ignored in the transaction though adjured to share in the assumed profits. Work in the Ruhr mines, however, was resumed; and Germany formally withdrew all opposition to the Franco-Belgian control of her railways left of the Rhine.

GERMANY "A FRENCH PROVINCE" — UNITED STATES OFFERS ITS ADVICE — FRENCH OPINION NOT WHOLEHEARTEDLY BEHIND POINCARÉ

A German of note said: "Germany has become a French province." Herr Stresemann's Cabinet fell. After several attempts at reconstruction had failed, President Ebert found in the first week of December a new Chancellor in the colourless person of Dr. Wilhelm Marx, a lawyer of moderate views and no distinction, belonging to the Catholic Centre party — that steady pivot of all the changing combinations. Herr Stresemann as Foreign Minister remained the dominant political personality as before. After more than two months of the distractions, active submission, as it may be called, following the official withdrawal of passive resistance, was almost as complete as even M. Poincaré could desire. The way was clear at last for some international attempt at a provisional settlement between France and Germany of the financial problem, though no solution of the territorial question could be expected. Washington's opinion in favour of the determination of Germany's liability by an expert and impartial tribunal had stood on record since the end of 1922. Britain, Italy and all the former neutrals shared that view. Towards the middle of October, a couple of weeks after the collapse of German resistance in the Ruhr, the British Government appealed to the United States to join in an enquiry. Secretary Hughes in reply approved the principle on the main condition, indeed, that indebtedness to the United States was not mixed up with the discussion of European Reparations, but in a spirit of sympathy with the position of France and in no desire to relieve Germany of her just and practicable obligations. These pourparlers seemed to offer a new hope which was at once threatened with shipwreck by M. Poincaré's unique energy in formulating negatives and limitations. The French Premier declared at the beginning of November that any enquiry must be confined to Germany's "present" capacity; and that there must be no reduction of the preposterous total indemnity of £6,600,000,000 as fixed in the far-away and myth-making days of November, 1921. President Coolidge's Administration soon signified that any attempt at enquiry under such conditions would be "useless and futile." But there were warning signs of a disposition in the United States to make a large food-loan to Germany where the hardships of the mass of the population were now lamentable.

Influential opinion in France itself began to dread the consequences of M. Poincaré's rigidity. With regard to everything but the continued iron grip on the Rhine frontier, French policy began somewhat to relax its measures and to soften its tone. General Degoutte was allowed to regroup his troops so that French military ascendency became much less visible within the Ruhr though the district could be controlled again at a moment's notice. M. Poincaré consented to two Committees of Enquiry under the Reparations Commission. The first would investigate Germany's economic position and capacity; how to stabilise her finances and balance her Budget. The second would try to track the flight of German capital into other countries, and to estimate the total amount of German balances abroad. Confidential assurances were believed to have been given by Paris to Washington that these proposals would really mean a free and complete enquiry in the sense desired by Secretary Hughes. No Government would be bound beforehand to accept any conclusion or recommendation of the investigating bodies. Accordingly, on December 12 the United States Government sanctioned the wholly unofficial participation of two American financial experts upon the two Committees. Their proceedings opened on January 14, 1924, when they hoped

that vigorous and unremitting application would enable them to cut through their tangled task in a few weeks. Formally they cannot enter into the question whether the Ruhr is to be controlled by France or Germany. Really they must consider that question. It will affect their calculations at every turn. After more than five years since war, it is difficult to say whether Germany's liability will soon be finally fixed at a definite and payable figure as a result of the labours of two Committees of Enquiry on which the American delegates, though unofficial, must carry exceptional weight. The answer cannot make any problem worse, and in several respects may well mark a turning point for the better.

THE EUROPEAN BALANCE-SHEET IN 1924 — DICTATORSHIP IN GERMANY — UNJUSTIFIED OPTIMISM OF GERMANY

On January 11, 1924, the anniversary of the Ruhr adventure, the European press was full of attempts to frame a balance-sheet. Politically, Germany had been quelled, humbled to the dust, and to some extent inspired by a wholly new dread and fear of France, though at the cost of implanting a thirst for future vengeance such as the World War itself did not create. Economically, France in compelling a real will to pay, had destroyed for a long time the means to pay, apart from deliveries in kind. M. Poincaré had not foreseen this. Twelve months before, he had genuinely believed that a military seizure of the Ruhr would enable him to dictate terms to all Germany in a week. But the better part of yet another twelve months would have to elapse before the general production of Westphalia could recover its normal volume. The efficiency of the intricate railway system would take long to restore, and for that the French expulsions would have to be revoked, the German managers and workers brought back. The future of mining production, under conditions felt to be like slavery to foreign taskmasters, was menaced by the certainty, after a deceptive interval, of labour resistance. At the end of 1923, France was only getting 45 per cent of her coal deliveries before the Ruhr invasion, and if she got 75 per cent within the first half of the New Year she would be fortunate. The *année terrible* for Germany could only be regarded as a financial disaster for France.

Thus as between the two nations mainly involved, this ill-starred passage of human affairs ended with strange revulsions of feeling in contrary senses. Germany by comparison with past torture was optimistic to her usual point of exaggeration in every mood. France, tasting the bitterness of Dead-Sea Fruit, was full of discontent and misgiving, in accordance with that law of the modern world which subjects the results of all violence to a drastic law of diminishing returns. The German mood was that of emotional revulsion after strain. Exceeding anything that solid judgment justified, it was encouraged by trifles light as air; and soared like a balloon which has thrown out ballast. To the relief from the fear of civil war and dissolution was added American participation in the Committees of Enquiry and the prospect of a Labour Government in Great Britain. At the end of the black year Christmas showed a glaring contrast between the impoverished majority in Germany and a large comfortable minority. In effect the country was governed by decree. General von Seeckt was the power behind the scenes. Freedom of speech and writing was restricted. In this, and some other ways, the Republican post-war *régime* was like the Hohenzollern pre-war *régime*. Definitely the Socialists had failed since the Armistice, and critics originally in their favour accused them of an unparallelled lack of real ideas and practical capacity.

The elections, to be held at any time between March and June, 1924, were expected to mark a strong swing towards the Right. Germany in this mood of escape from nightmare was inclined for any tolerable scheme of coöperation with France for a few years, without prejudice to the inward belief in a further future of *revanche*. Spiritually, the status of the German people for an indefinite period must be one of subjection unless the world grows wiser than is anywhere promised. Materially, the opening signs of 1924 indicated a return to prosperity. The German nation still excelled all others in its scientific progressiveness, its instinct for combination, and its zest for work.

FRANCE, REPOSING ON ITS LAURELS, INCURS DISPLEASURE OF SPAIN AND ITALY — DIVERGENT STANDPOINTS OF POINCARÉ AND MILLERAND

In France, a perceptible lassitude after triumph was due to several causes. From the standpoint of national glory and power the Ruhr had been magnificent but it had not paid. *La vie chère* was the subject of universal concern. While the cost of living rose, the fall of the exchange value of the franc was alarming at the beginning of 1924. The devastated districts had been almost wholly restored with brilliant energy, but at the price of the piling up of a colossal increase of debt which German contributions could never liquidate in the end, and even in the next few years would not lighten as much as had been ardently expected. Heavier taxation — combined perhaps with a hazardous resort to "moderate inflation," so easy to begin mildly, so hard to restrain — must be faced at last; and dearer living was a problem almost bound to go worse before it could go better. An armed predominance temporarily overwhelming in Europe and a ruthless use of force on the soil of the vanquished, had not purchased the sense of permanent security. Military loans to the extent of over one hundred million dollars (or £20,000,000 sterling) had been made to Poland and the nations of the Little *Entente*, Czechoslovakia, Yugoslavia and Rumania in the latter months of 1923. The value was to be taken out by the debtors in the shape of weapons and military equipment supplied by the French Armament Factories.

But in far more important respects France was losing support, not gaining it. The inability to refrain from driving the hardest bargain even in secondary concerns had resulted in the Tangier Convention. French ascendency was established in the name of internationalism. Spain, included in the negotiations, and Italy, excluded by the insistence of Paris, were both sharply alienated. Just before, the British elections had returned a majority overwhelmingly opposed to the Ruhr adventure and to the whole Poincaré spirit. In London a Labour Government intimately friendly with the German Socialists, though earnestly desiring to avert an open breach with France, was about to come into office. Russia, sure of speedy recognition in London, Rome and elsewhere, and therefore in Paris, was unquestionably about to become a factor in general European affairs. The outcome of M. Poincaré's policy had made even Belgium profoundly uneasy. Above all, there was the standing problem with which armaments, however irresistible at an advantageous phase, cannot cope in the long run. There are still too many Germans — millions too many — and they are too prolific. In these circumstances, there was an obvious divergence between the two strongest political personalities in France — President Millerand, temporarily eclipsed by the Premier, and M. Poincaré himself. The President markedly described New Year's Day, 1924, as "the dawn of Reconciliation." M. Millerand's chief idea of fraternity would appear to be the Super-Syndicate of capitalists

representing French iron industries and Ruhr coal. The great deal might indeed mean a prolonged truce profitable to both nations. But President Millerand no more than M. Poincaré intends to abandon the Rhine frontier. This in the end, as through centuries before, will prove unescapably the vital question between Gaul and Teuton. A compromise postponing for certain years the reopening of this inveterate antagonism in its fatal acuteness is doubtless manageable.

Much depends on the result of the French elections in May or before. The renewal of the Senate at the beginning of 1924 showed no considerable change in opinion. The conditions influencing the direct popular poll for the Chamber of Deputies are very different. In January the Left still expected to gain heavily at M. Poincaré's expense. The militant *bloc National* has not represented in the last few years the average temper of France. Harsh taxation and dearer living are likely to aid prudence and reasonableness in international affairs. In view of the elections the rival attitude on the Ruhr sequel might be most clearly expressed as follows: the governing Right said with M. Poincaré, "We stay until they pay." The opposition Left retorted, "We stay but *we* pay."

BRITISH ELECTIONS OF DECEMBER, 1923 — A LABOUR GOVERNMENT, WITH RAMSAY MACDONALD AT THE HEAD — OTHER IMPERIAL CONCERNS

Incidental references already made to remarkable developments in British affairs must now be briefly explained. In the few months under survey, in this postscript, the position of Britain in the national sphere was altered by a complete transformation in her domestic politics. We have seen how, after the Corfu crisis, the Conservative Premier, Mr. Baldwin, and his Foreign Secretary, Lord Curzon, abandoned effective opposition to M. Poincaré and kept the *Entente* in bickering existence while seeking at the same time to improve relations with Italy. For an interval all these besetting issues were swept away with the violence of a typhoon by a new controversy. The great periodical Council of the British Commonwealth, including the Prime Ministers of the self-governing Dominions, representatives of the Irish Free State, and distinguished native delegates from India, is still called the Imperial Conference. It met again in London in October. At first it seemed likely to make its influence felt in foreign affairs, and General Smuts in ringing speeches demanded a change in the disastrous drift of European relations towards another great war or anarchy; and the South African statesman appealed to the conscience of the world. But the strengthening current of other concerns drew the British Ministry almost involuntarily into a vortex. The old — and always latent — issue of free imports or Protection was revived in full force. Mr. Baldwin's Government began by extending, to no very important degree, the system of Imperial Preference by which certain Dominion products, chiefly fruit, are favoured, as against the foreign competitive products, by relief from revenue duties. Mr. Baldwin was debarred from going further by the pledge of his predecessor to refrain from interfering with free trade pending another General Election. The Premier and his Cabinet, after considerable disagreement and misgiving amongst its members, decided that they must seek relief from that pledge. Their main argument was that the vast problem of unemployment in Britain — where nearly 2,000,000 persons registered and unregistered were now without work — could only be dealt with, in view of the unparallelled dislocation of world trade, by protection of the home market. On this issue a General Election

was forced in December. Of the three parties, Conservative, Labour and Liberal, the first polled rather less than 40 per cent of the national votes, the second a little more than 30 per cent, the third a little less than 30 per cent. The results for the House of Commons — omnipotent in British affairs — were: Conservatives, 257 seats; Labour-Socialists, 192; Liberals, 158; Independents, 8. Mr. Baldwin's former majority was swept away, but for the first time in the history of the House of Commons no party had anything like a working majority. Reunited by the return of Mr. Lloyd George's section on the anti-Protection issue, the Liberals under Mr. Asquith decided to put the Socialists in office. In mid-January, Mr. Ramsay MacDonald was charged by the King to form a Labour Government. As regards domestic affairs it will be a Government in custody and cannot pursue an extreme programme. In European affairs, its close affinities with the Socialist parties in Europe may give it a wide moral influence. Mr. Ramsay MacDonald declares that as a Labour Premier he will stand firmly for appeasement and coöperation, and will begin by the decisive step of granting full recognition to Soviet Russia. What effect moral influence will exercise, as against European armaments, remains to be seen. In any case the Socialist Cabinet in Great Britain — though its term can scarcely exceed twelve months and may be less than six — will be a profoundly interesting experiment for that country and for the world.

Simultaneously, the whole system of the British Empire was entering upon a grave testing time. The *Swaráj* party demanding complete parliamentary self-government for India had gained so largely in the recent elections as to threaten the working of the reforms providing for more gradual progress. Similarly, in the first weeks of 1924, the polls were swept in Egypt by the apostle of total independence, Zaglul Pasha. Britain's former *régime* on the Nile, that of practical sovereignty, is already renounced in principle, but she demands agreement ensuring her special standing for the freedom and defence of the Suez Canal. All these are but parts of the widest of world-problems. Nowhere in the East, from the Mediterranean to the Pacific, is the prospect free from trouble. It seems certain that if the British safeguards were withdrawn from either India or Egypt, these countries once more would be conquered from without.

THE DEATH OF LENIN — RUSSIA'S "NEW ECONOMIC POLICY" — MUSSOLINI'S OPPOSITION TO FRANCE — RAPPROCHEMENT BETWEEN SPAIN AND ITALY

A compressed summary must serve for all the rest of the events crowding the latter months of 1923 and the first of 1924. In Russia, Lenin's illness and absence (to be followed by his death on January 21, 1924) were accompanied by strong dissensions amongst the Communists. The ruling Junta of original leaders, keeping affairs in their own hands — though not at one amongst themselves — were denounced as conservative and old-fashioned by a younger school demanding a share of authority and more liberty to oppose. But both schools denied that these quarrels threatened the stability of the State. The new economic policy continued to restore individual enterprise, practical reconstruction advanced, and large plans for future trade were arranged with foreign syndicates. Soviet Russia, as these pages are written, seems assured of full recognition at an early date — giving in return some sufficient acknowledgment of indebtedness — by Italy, France and many of the smaller countries as well as by Britain. This would be one of the more significant and promising events in the world's recent history.

In Italy, Signor Mussolini continued to raise his repute and to consolidate his power. At home, he pursued his vigorous policy of order, retrenchment and reform, courageously enforcing more toleration on his own party and respect for law on his insubordinate supporters in the provinces. The Italian Parliament renewed his dictatorial powers, and then awaited dismissal. A new and unique electoral law is designed to give the Fascist *régime* a two-thirds majority in the Chamber of Deputies, to be created by its maker in his own image before the summer of 1924. At the beginning of that year the Dictator belied all alarms after the Corfu crisis by a strong stroke of reconciling statesmanship in foreign affairs. By a treaty between Rome and Belgrade, Italy annexed Fiume — nearly five years after President Wilson's protest — but ensured parallel harbour rights and ample facilities for Yugoslavia. Not only so. General relations between Italy and Yugoslavia were settled on a basis of benevolent neutrality almost amounting to an alliance. Both countries were strengthened by this compact. Resisting French hegemony in other ways, the Dictator had declared frankly for reasonable treatment of Germany. The Mediterranean question, however, was his main concern. He protested against the exclusion of Rome from the negotiations, which ended about this time by enhancing French ascendency at Tangier. Most important of all in this and larger connections was the visit to Rome of the King of Spain accompanied by General Primo de Rivera. To the delight of the cartoonists, the two Dictators met, as well as the two sovereigns. This visit had the notable consent of the Vatican, and Alfonso XIII addressed the Pope in fervent terms of almost mediaeval devotion. The Church remains an independent influence whose potent diplomacy pervades much of the world, but never forgets that Mussolini restored the Crucifix to the schools, and insists that the State must shew conspicuous reverence for religion. Between Rome and Madrid a real *entente,* probably without definite commitments, was undoubtedly established. Each country demands that the Mediterranean shall not become a French lake, and each desires to promote cordial relations with Latin America, whose numerous votes in the League of Nations have become a factor in European affairs.

RELATIONS BETWEEN FRANCE AND SPAIN

By the New Year, however, the future of the Spanish Dictatorship was still altogether uncertain. Unlike Fascismo, it had no solidly organised basis of national support. Toiling night and day, issuing countless decrees, the military Directory had done wonders towards the temporary cleansing of an Augean stable of inefficiency and corruption. During three months honesty and economy had been enforced on all hands; numbers of malefactors had been brought to trial; strikes had ceased — even in Catalonia. The limited campaign in Morocco was drawing towards success after shameful mismanagement and disaster under the former parliamentary *régime,* and a drain of blood and treasure for years. But inertia was quietly resuming its sway in many quarters. On the Tangier question the Directory could obtain from France no satisfaction for national pride. In some glaring cases suppression of public criticism and critics went much too far. The Spanish temperament, though backward in active use of liberty, resents and resists incessant pressure. Above all, while the Italian Dictatorship expressed the will of the people, the Spanish Directory imposed itself on the people. It may not endure long unless it can come to some working compromise with intelligent opinion on the basis of a reformed parliamentary system.

OTHER EUROPEAN COUNTRIES — POLAND AND THE LITTLE ENTENTE — GREECE — BULGARIA

We have noticed that Poland and the Little *Entente* during the last weeks of 1923 were drawn closer to France by military loans. A very close alliance was concluded between Paris and Czechoslovakia. Poland, in severe financial straits, was ceasing to be content with these conditions. Yugoslavia gained more freedom and security by the understanding with Italy. Rumania, in all these more recent circumstances, must soon establish better relations with Russia. At Belgrade, in January, 1924, the statesmen of the Little *Entente* met in Conference, but the cohesion and influence of that combination — always rather overestimated by comparison with the internal difficulties, racial and sub-racial, of its members — were more likely to diminish than increase. They were all afraid of the revival of Hungary, and were still bent on putting obstacles in the way of the admirable scheme for a moratorium and loan in favour of the Magyar State on the drastic condition that it stabilise its finances and balance its Budget in two years and a half. This plan, under the auspices of the League of Nations, was chiefly pressed by Britain with Italian support, and in the long run could not be prevented. The improvement in Austria under the similar scheme mentioned in previous pages was miraculous.

Greece in these months had seemed on the brink of its fifth revolution in fifteen years. King George and his Queen by request had quitted Athens for Bucharest, pending a popular decision upon the growing demand for a republic. M. Venizelos returned with the New Year and became Prime Minister to prepare for elections. They will be held, it is asserted, under such conditions as would make free and decisive the verdict of the people on the question of republic or monarchy. At the same time, Greece had lost more during the long absence of Venizelos than she could ever regain. Bulgaria, formerly her most hated neighbour, was in no better case. Stamboliisky's tyranny had been no doubt unbearable to the more civilised elements of the country for all his powerful common sense. Months after his overthrow the new *régime*, supported by the intelligentsia, the ex-officers and the Macedonian refugees, could only maintain itself by force. There was no firm security against another revolution. A solid understanding between Greece and Bulgaria would be to the best interest of both, if M. Venizelos could take up that question once more and overcome popular prejudice.

THE SITUATION IN THE NEAR EAST — MUSTAPHA KEMAL IN CONTROL OF TURKISH DESTINIES

We pass eastward to the nation whose unique geographical place in the world still links two continents. At the end of October, 1923, the New Turkey severed another historic link with the past. Twelve months before, the Califate, or spiritual headship of Islam, was separated from temporal sovereignty over Turkey and thus reduced to a vague though venerable shadow. Now, Angora abolished the Sultanate itself and proclaimed a republic with Mustapha Kemal as first President. The spirit of revolution could go no further in the Moslem East. Mustapha Kemal's prestige as the fighting hero of national recovery and triumph is immense, but his *régime* depends upon his personality. There is murmuring throughout Islam against the loss by the Califate of all its legendary splendour, power and substance.

Opposition grows, promoted by the survivors of the old Committee of Union and Progress. The more imperiously the President tries to strike down his public critics, the more he spreads and strengthens secret antagonism. Following the Turkish ratification of the Treaty of Lausanne, the allied troops have finally evacuated Constantinople. Weakened economically by mortality and ravage, by the extermination of Armenians, the expulsion of Greeks, and even by the abolition of the antiquated capitulations, which with all their faults encouraged western enterprise and investment, the New Turkey is an incalculable and unpromising problem now that the excitement of war is over and the dull constructive tasks have to be faced. It is improbable that the last surprising scene in the long drama of Ottoman fortunes since 1908 has yet been witnessed.

POLITICS IN CHINA — THE JAPANESE EARTHQUAKE — SINGAPORE

The introduction to 1924 was as eventful in the Far East as in the Near East. The anarchy of Chinese politics was not mitigated in October by the election of Marshal Tsao-Kun, after flagrant bribery of a nominal Parliament, to be President of the Republic. In Manchuria, Chang-Tso-Lin was "pathetically moved by a sense of righteousness." In the south Sun Yat-sen — notoriously incited by Turkish success in abolishing the capitulations — threatened to seize the customs' revenues at Canton. He was prevented by the naval and commercial unanimity of the foreign Powers, including the United States. Here none the less are the faint beginnings of a large question more fully explained elsewhere.

Japan had the sympathy of the whole world in September after the earthquake which destroyed Yokohama and devastated Tokio. That stoical nation will restore these cities as America rebuilt San Francisco. In Japanese politics there was no signal development. Hostile comment was aroused by the proposed British naval base at Singapore, but that project is certain to be delayed in any case, and likely to be limited if not abandoned.

AMERICA AND THE OLD WORLD

The relations of the Old World with the two American continents have already been broadly treated. The outbreak of the Mexican insurrection in December, 1923, must be mentioned in passing. The faction claiming the presidential succession for Huerta against General Calles, the nominee of the present ruler, General Obregon, occupied the oil areas and threatened to interrupt oil shipments at their chief port, Tampico. The United States gave its recognition and support to Obregon's relatively orderly *régime*. Whether any system of order with progress can be maintained in the future without a more permanent adjustment of special relations between Washington and Mexico is the large question that remains unsolved. More than ever, as we have seen, regard in this connection has to be paid to Latin-American settlement as a whole. On December 1 the centenary of the Monroe Doctrine was celebrated in America, and comment resounded in Europe. This fixed principle of United States policy has saved South America from becoming one of the chief arenas of world wars. The task in the twentieth century will be to harmonise the security of the Monroe Doctrine with the steady growth of the Trans-Atlantic Latin States and their desire for closer intellectual relations and diplomatic intercourse with their mother-races in Europe.

Last, but by no means least, President Coolidge's declarations, with his habitual precision, at the opening of Congress finally extinguished some faint expectations still lingering in Europe. The President proclaimed the refusal of partnership in the present League of Nations by the United States to be a settled decision and a closed issue. The permanent World Court of Justice at The Hague was commended as a convenient but not compulsory resort.

There was at the New Year a general feeling in Europe as a whole that, with 1923, the worst had passed. The prospect of rapid material improvement in Central Europe and of normal international intercourse with Russia, promised at least a provisional period of stability and recuperation. Germany and Russia alike might be included before long in the League of Nations, making it representative at last of the large majority of the white races as well as of the yellow and the dark. It was widely felt that as 1918 saw the turning-point of the war, 1924 might see the turning-point for truer peace. But in a world still full of armaments and contention, the better hopes, though they seemed fairer than at any time since the Treaty of Versailles, were on the lap of the gods.

CHAPTER V

THE CAUSES OF THE WORLD WAR

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I. General Causes

The years immediately preceding the World War presented a curious contrast between thought and action. The predominant thought throughout the world was pacific and optimistic. It was popularly believed that the human race was making notable progress not only in physical comfort and well-being but also in intellectual attainments and spiritual breadth and depth, and that the rapidly growing world commerce in ideas as well as in commodities was paving the way, in conjunction with international finance and international labour organisation, for a peaceful evolution toward a new world-order in which the lion should lie down with the lamb, swords should be beaten into ploughshares, and war, the primeval curse of humanity, should be exorcised eternally. Never were pacifists more active or more enthusiastic. Andrew Carnegie and Alfred Nobel consecrated their fortunes to peace propaganda. The Governments of the world participated in peace conferences at The Hague in 1899 and 1907 and planned for a third in 1915.

It is difficult for us, after the event, to understand the earlier widespread optimism. We can now clearly perceive that in the first decade of the twentieth century certain actions and tendencies were unobtrusively yet positively predisposing the world not to universal peace but to the greatest war in human annals.

INTERNATIONAL ANARCHY AND THE VOGUE OF NATIONALISM

First of all, there still flourished in undiminishing vigour a state system which had had its origin in the lapse of the mediaeval notions of a universal State and a universal Church. This state system of modern times was based on the assumption that there were numerous independent and sovereign States, each being equal to every other and fully competent to do whatever it would in domestic and foreign affairs without let or hindrance on the part of any supreme arbiter and with only such practical restrictions as the strength of other States might impose. At the opening of the twentieth century there were some fifty States, in theory absolutely independent, sovereign and equal. In fact, the fifty were very unequal, and even the strongest among them was not strong enough to maintain its independence should the others unite against it. Yet each proceeded to act in most cases as though it were self-sufficient and as though its own self-interest were its supreme guide.



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General Sukhomlinov, Russian War Minister, 1909–1916.



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Count Berchtold, Austrian Foreign Minister, 1912–1915.



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M. Sazonov, Russian Minister of Foreign Affairs at the outbreak of and during the World War.

THREE MINISTERS WHO HAD A DIRECTING INFLUENCE ON EVENTS LEADING TO THE WORLD WAR

The fifty States professed to conduct their relations with one another in consonance with the traditional European usages of international law and international diplomacy, but indirectly, if not directly, force and power were the final arbitrament among them. And it was no euphemism that every such State was styled a "Power," and that a few States by reason of the thickness and weight of their armour and the prestige which customarily attended their show of might were classed as "Great Powers." In the circumstances, the state system was hardly a system at all. It was an assemblage of separate, selfish and jealous entities, and it enshrined a potent spirit of international anarchy.

The prevailing anarchy in the state system was becoming more acute and more dangerous with the ubiquitous rise of nationalism. The idea that every State should consist of persons who speak the same language and share the same customs and traditions, is essentially modern. Before the nineteenth century it found vital expression only in western Europe, in France, England, Portugal, Spain, Holland and the Scandinavian countries. But thenceforth it flourished luxuriantly and brought forth fruit in abundance. It affected the peoples of central and eastern Europe and created the independent national states of Belgium, Italy, Germany, Greece, Serbia, Rumania, Bulgaria, Norway and Albania. In all civilised countries nationalism was heightened and intensified, especially after 1880, by the development of state-directed systems of compulsory, universal, elementary education, by the spread of cheap chauvinistic journalism, by the constant increase of armed forces, and by the rising vogue of ultra-patriotic poets, historians, essayists, and other *litterateurs*. Under pressure from these powerful agencies of propaganda, nationalism tended to become strikingly intolerant. It emphasised what was peculiar to a nation rather than what was common to mankind. It firmly lodged in every people the conviction that they were superior to all other peoples. It gave to the masses in each country an unquestioning faith in their own collective virtue and wisdom and an equally unquestioning faith in the collective vice and depravity of their neighbours. Psychologically it paved the way to war.

INTERNATIONAL DISPUTES EMBITTERED BY NATIONALISM

In explaining the general causes of the World War, three special results of the rise of nationalism must be taken into account. One was the willingness and even the zeal with which all members of a national State, regardless of religious, social, and economic differences among themselves, were certain to support their Government in the assertion of national rights, national interests and national honour. Governments which might otherwise have been pacifistic were frequently goaded on to militancy by popular patriotic fervour, while Governments which were habitually truculent knew that, no matter how secret and selfish their conduct had been, they would have the unqualified aid of their whole nation if affairs reached a crisis. In this way twentieth-century Governments grew more combative and the state system more anarchic.

Secondly, the rise of nationalism embittered certain territorial disputes. The French conquest of Alsace-Lorraine in the sixteenth and seventeenth centuries, though adding a German-speaking population to France, had not evoked a strong nationalistic reaction in those provinces or in Germany as a whole; but the German conquest of Alsace-Lorraine in 1870–1871, in an era of sharpening nationalism, produced quite different results: patriotic Germans (and all Germans were now patriotic in this matter) insisted on

having and holding Alsace-Lorraine because the territory had been "German" in the middle ages; patriotic Frenchmen (and all Frenchmen were now patriotic) longed for a favourable opportunity to regain the "lost provinces" because their inhabitants had been partially Gallicised prior to 1870 and had protested in 1871 against incorporation in the German Empire. Alsace-Lorraine was a bone of contention between French nationalism and German nationalism. In another way the status of Belgium and of Luxemburg was a spur to nationalism both in Germany and in France. The little Duchy of Luxemburg was German in speech and in historical connection, but it was the first and most obvious step in that expansion of France to her "natural boundary" of the Rhine which, Frenchmen were now patriotically taught, had been their country's "manifest destiny" since the days of Julius Caesar. The Kingdom of Belgium was mainly French in language, but the Germans latterly discovered that a Germanic (Flemish) tongue was also spoken in Belgium and that all the Netherlands — both Belgium and Holland — had been part of the German mediaeval Empire. Englishmen, however, in the patriotic pursuit of their national interests, were minded to resist any attempt on the part of either France or Germany to control the small European States which were so close to English shores; and in the nineteenth century Great Britain prevailed upon both Germany and France to sign treaties with her, solemnly affirming the integrity and neutrality of Belgium and Luxemburg.

Thirdly, the rise of nationalism actually imperilled certain great European States which had never been thoroughly homogeneous and which continued in the twentieth century to resemble in their diversity of subject nationalities the ancient Roman Empire rather than any national state of modern times. Such were the Ottoman Empire, the Austrian Empire and the Russian Empire. The Ottoman Empire plainly showed its inability to withstand the disruptive forces of nationalism. Its subject peoples in Europe had revolted one after another and established their independence — Greeks, Serbs, Bulgarians, Rumanians and Albanians. On the eve of the World War the first three of these Balkan peoples had waged a common struggle against the Ottoman Empire, had partitioned Macedonia among themselves, and had confined Turkish rule in Europe to Constantinople, Eastern Thrace, and the peninsula of Gallipoli. Still, however, the Ottoman Empire remained a motley aggregation of Turks, Kurds, Armenians, Arabs and Jews; each of its varied peoples was emphasising its own nationalism; freed Greeks were mindful of thousands of fellow nationals in Turkish bondage in Asia Minor, and freed Bulgarians, of fellow nationals under Turkish sway in Thrace; Bulgaria, Greece and Russia, too, cast covetous eyes upon Constantinople and waxed eloquent with nationalistic argument for its conquest. Only Serbia and Rumania, of the states which had long warred on Turkey, were satiated in that direction. No Rumanians or Serbs were subject to the Ottoman Empire in 1914.

NATIONALISM AND THE FATE OF AUSTRIA-HUNGARY

The Austrian Empire had been forced in the nineteenth century by the power of nationalism to relinquish its control of Italy and Germany, and to consent to the establishment of a united German Empire and a united Kingdom of Italy. Likewise, the Austrian Empire had been compelled to restore the autonomy of Hungary and to agree to its own transformation into the Dual Monarchy of Austria-Hungary. Then for a time Austria, unlike Turkey, had seemed to stay the disruptive tendencies of nationalism and to

retain her position as a Great Power; in 1878 she had occupied Bosnia and Herzegovina, Serb-speaking provinces of the Ottoman Empire, and in 1908 she formally annexed them. But underneath the seeming might of the Dual Monarchy lurked serious nationalistic dangers. The Austro-Hungarian dominions were as polyglot as those of the Ottoman Turks. In addition to the two ruling peoples — Germans in Austria and Magyars in Hungary — there were Czechs (and their kinsmen, the Slovaks), Poles, Ruthenians, Rumanians, Yugoslavs of various brands (Serbs and their kinsfolk, the Croats and Slovenes), and Italians. Gradually these subject peoples came under the influence of nationalistic agitators and propagandists, until in the twentieth century the national renaissance was far advanced among all of them. Italians in Istria and the Trentino were looking forward to incorporation in the Kingdom of Italy. Czechs in Bohemia were working for the recovery of their independence and for the union of the Slovaks with them. Poles in Galicia were endeavouring not only to "polonise" the neighbouring Ruthenians but also to concert measures with the Poles of Russia and Germany for the restoration of a free national Poland. Rumanians in Transylvania were opposing their Magyar masters and appealing to the Kingdom of Rumania for sympathy and aid. Serbs in Bosnia were notoriously seditious, and Croats and Slovenes were declaring that they were of the same blood as the Serbs and of almost the same speech and that all the Yugoslavs should be federated together.

Stimulating the nationalism of the subject peoples in Austria-Hungary, and rendering the future of the Dual Monarchy a grave international problem, was the attitude of ultra-patriotic groups in neighbouring states. Despite the fact that the Governments of Italy and Rumania were in alliance with that of Austria-Hungary, propagandists were busily arousing popular sentiment in those countries in behalf of the completion of national unity; and the complete national unity of Rumania and Italy could be achieved only at the expense of the Dual Monarchy. It was similar in the case of Serbia. For a time in the nineteenth century Serbia had been allied with Austria, but in the twentieth century the rise of nationalistic temperature led in Serbia to the deposition of the pro-Austrian dynasty, the accession of the anti-Austrian King Peter, and the development of popular agitation in favour of territorial expansion. The Balkan War of 1912–1913 enlarged Serbia at the expense of the Ottoman Empire; henceforth it was only the Austrian Empire which blocked the inclusion of all Yugoslavs in the Kingdom of Serbia.

RUSSIA AND GERMANY CONCERNED IN FATE OF AUSTRIA

Aiding and abetting Serb and Yugoslav nationalism, and, in a lesser degree, Czechoslovak nationalism, was Russia. The Russian Empire was not a national state in the same sense as France or Italy, for it included the Finns, the Esths, the Letts, the Lithuanians, the bulk of Ruthenians (Ukrainians, or Little Russians), the majority of Poles, a considerable number of Armenians, and many other peoples of varying language and dialect; but, unlike the Austrian and Ottoman Empires, it comprised a nation (the Russian) singularly homogeneous and more numerous than all its other populations put together. The Russian nation was bound by religious and cultural ties with the Balkan nationalities and by race and linguistic origins to all other Slavic peoples; and with the universal rise of nationalism in the nineteenth century there appeared among Russians a patriotic Pan-Slavist movement, which aimed not only at "russifying" the subject nationalities

within the Russian Empire but also at fostering a common Slavic consciousness among Yugoslavs, Czechoslovaks, Poles and Ruthenians, and accustoming them to look upon Russia as their guardian and "big brother." Between the Russian and Austrian Empires there had long been rivalry over the advantages which they might respectively gain from the dismemberment of the Ottoman Empire, but in the twentieth century this rivalry was supplanted by a rivalry far more acute and more dangerous to the peace of all Europe. It was now a question of the dismemberment of the Austrian Empire itself, and as the Germans and Magyars within the empire sought to extinguish the fires of nationalism, so the Russians outside fanned them.

The German Empire had much at stake in the newer rivalry between Russia and Austria-Hungary. Germany was chiefly a national State of Germans, but in addition to the French-willed population of Alsace-Lorraine and some Danes in Schleswig, she held within her borders, as a subject people, some three million Poles who shared the yearnings of Russian and Austrian Poles for national unity and freedom. These Poles were resentful of Pan-Slavist attempts to "russify" them, but they were ready to invoke Pan-Slavist assistance in their struggle against Teutonic overlordship. The Germans learned to distrust and fear the Slavs, in part because of the Poles, and in greater part because Pan-Slavist agitation, developing in Russia, was directed against the Austrian Empire. Austria was the ally of Germany, and such patriotic organisations as the Pan-German League pointed out that Germans, with Magyars, were and should be the dominant nationality in the Dual Monarchy and that the fate of Germans in Germany was linked with the fate of Germans in Austria. The more Russia strove to rouse the ambitions of Slavic peoples and to disintegrate Austria-Hungary, the more Germany laboured to bolster up the Dual Monarchy and to incite its governing groups to curb and crush the activity of hostile neighbours. What had once been a sincere friendship between the autocracies of Russia and Prussia was giving way in the twentieth century, before the rising wave of nationalism, to a vindictive rivalry between Germany and Russia, the stakes of which were primarily the preservation or destruction of Austria-Hungary, and secondarily the Teutonic or Slavic domination of south-eastern Europe.

In view of the disquieting effects of nationalism upon Turkey and Austria and even upon Russia and Germany, it is not surprising that many publicists, especially on the Continent, should have prophesied prior to 1914 the nationalistic undermining and eventual dissolution of the British Empire. Particularly in Germany it came to be believed that in a general war the Irish, the Boers, the East Indians and the Egyptians, moved by separatist nationalism, would rebel and either paralyse or prevent British participation; and some Englishmen were obviously troubled by the prospect.

Nationalism was certainly a most disturbing factor in the European situation. By 1914 it was widespread and intolerant. And the map of Europe, drawn in the main at the Congress of Vienna a century earlier when nationalism was quite disregarded, was at variance in many instances with the ideals and purposes of determined nationalists. Only a war of huge dimensions could refashion the European state system on strictly national bases.

THE NEW IMPERIALISM AND ITS RELATION TO NATIONALISM

Nationalism predisposed Europe to war, and nationalism was a sentiment. But simultaneously quite a different factor was predisposing the whole world to war, and this factor was economic. The rapid industrialisa-

tion of Great Britain, France and Belgium in the nineteenth century and of Germany, Italy and the United States in the forty years immediately preceding 1914, created intense economic rivalry between certain classes in one country and corresponding classes in another. Such rivalry displayed itself in mounting tariffs and consequent "tariff wars" and likewise in quarrelsome scrambles for the exploitation of "backward areas" and resulting enlargement of the arena of international conflict. In both cases the classes who had the greatest economic interests at stake found that usually, by appealing to patriotic and national sentiment, they could gain the active support of their Government and of the bulk of their fellow-countrymen. Nationalism was invoked by manufacturers, traders and investors; the new industry, in turn, was served by nationalism.

For example, German manufacturers demanded the protection of their "infant industries" against foreign competition, especially British, on the ground that it would make Germany stronger and more self-sufficing, and protection they obtained. The German farmers and landlords demanded protection against the importation of cheap Russian and American foodstuffs, and protection they too obtained. Russia and the United States retaliated by according additional tariff protection to their respective "infant industries." British industries were not so infantile, and British fiscal policy was still in 1914 not protectionist. But tariffs and rumours of tariffs did not tend in influential circles to promote sympathetic and cordial relations between Great Britain and Germany or between Germany and Russia. And it is memorable that relations between Serbia and Austria-Hungary, already strained by rising nationalism, were made worse in 1913 by a tariff war over pigs.

It was over "backward areas" that economic competition grew most intense. Manufacturers and bankers of industrialised European countries searched abroad for cheap and plentiful supplies of raw material, for numerous and eager buyers of machine-made goods, and also for promising fields wherein they might invest their savings and surplus capital at a greater profit than they could obtain at home. Their search was successful; the whole world was discovered anew by men of business. But the search was productive of far more serious consequences than had been foreseen. European traders came into conflict sometimes with the natives and sometimes with one another; in either case they appealed to their respective Governments for diplomatic and even military protection; and the Governments, with popular approval, made haste to defend "national interests" and "national honour." In this way the vast continent of Africa was almost wholly brought under European domination in the incredibly brief space of thirty years (1880–1910), while against the ancient empires of Asia the Europeans pressed hard with protectorates and spheres of influence. Great Britain, first in the field, won for her industrialists the largest share of these Asiatic and African spoils. France, next in the field, took second place in the division of the booty. There were numerous conflicts between French and British traders in Africa and Asia, and therefore repeated crises in the relations between French and British Governments in Europe, and once, in 1898, Britain and France seemed on the verge of war over conflicting claims to the Egyptian Sudan. Similarly there was keen rivalry between Russian emigrants and British traders throughout central Asia, and consequent ill feeling between the Russian and British Governments, and in 1904–1905 Great Britain was happy that the Japanese, who had been learning from Europe and undergoing an industrialisation of their own, made war on Russia and set limits to Russian expansion in the Far East.

INTERNATIONAL ANARCHY INTENSIFIED BY IMPERIALISM

The world was wide and so long as capitalistic imperialism was mainly confined to England and France, the danger of a World War was remote. With the industrialisation of other national states, however, and the entry of their men of business and their Governments into the scramble for world-markets and world-investment, the situation was complicated and fraught with grave danger. Germany and Italy came comparatively late to the feast and were not at all content with the meagre scraps which fell from the richly laden tables of France and England. Italy's hunger was not so ravenous as Germany's, and she eased her worst pangs by waging war on the Turks (1911–1912) and devouring Tripoli. Italian traders and Italian patriots, too, looked longingly toward the scenes of Venice's departed commercial greatness and aspired to economic and political control of the Adriatic and the eastern Mediterranean. These ambitions of Italy were obviously running counter to Austria-Hungary's and likewise to the ambitions of the Balkan peoples, especially the Serbs and the Greeks.

Germany was in a curious position. Her swift and thorough industrialisation created a numerous and powerful class of manufacturers, shippers and bankers, who pushed out vigorously for the economic exploitation of the world. The mass of her fast-augmenting population, peculiarly prone to follow determined leaders, gave patriotic support to projects of capitalistic imperialism. Her Government, always responsive to patriotic demands, found a congenial task in backing with diplomacy and physical might those Germans who sought to provide the Fatherland with more places "in the sun." But by this time there were not enough places left in the sun; the best had already been preëmpted by England or France or Russia or Japan. The louder grew Germany's alarum, the closer her rivals drew together. It was German activity in Morocco from 1905 to 1911 which caused France and England to forget their feuds and to cement their *Entente Cordiale*. It was German activity in China which strengthened the alliance between England and Japan. It was German activity in the Near East, particularly in connection with the Bagdad railway, which caused Russia and England, age-long rivals for the estate of the Ottoman Turks, to bury the hatchet and smoke the pipe of peace. Around the capitalistic imperialism of Germany in the twentieth century, even more than around German nationalism, was builded the precarious balance of power which in 1914 haunted the whole world like a nightmare.

Both the new imperialism and the new nationalism emphasised the characteristic anarchy of the modern state system, and the ultimate arbiter in any anarchical society is force and violence. The profiting classes in every country demanded commercial, diplomatic, and finally military support; the patriotic masses loyally submitted to astounding increases of armament; and in the twentieth century the Governments of all the Great Powers, and of some of the lesser Powers, found themselves in a state of military and naval preparedness hitherto undreamed of. All able-bodied young Germans, Austro-Hungarians, Frenchmen, Russians, Italians and Japanese were serving in armies, learning the use of the most up-to-date weapons of destruction, and glowering at one another across their respective frontiers. Britishers, Germans, Americans and Japanese were manning huge naval dreadnoughts and super-dreadnoughts and entering heartily into a forceful rivalry at sea. The era from 1900 to 1914 was an era of militarism *par excellence;* national armaments steadily mounted; and war-scares grew in frequency and magnitude. By the Great Powers armed force was as yet

comparatively little used except against weaker peoples; its mere existence and the mere threat of its use in the relations of the Great Powers to one another ordinarily sufficed to satisfy sentimental longings of patriots and to secure economic advantages for men of business. Militarism was a result of imperialism and nationalism; nationalism and imperialism, in turn, were intensified by militarism. It was a vicious circle, and the only way to break the circle seemed to involve the method most terribly anarchic — the employment of brute force — war!

SECRET DIPLOMACY

For many generations before the World War the delicate relations among the jealously sovereign states — relations which were aptly called the "balance of power" — had been manipulated by a professional class of diplomatists with the aid of military and naval attachés and of spies and secret service. The practices of international diplomacy had been determined in large part at a time when they conformed nicely to the purposes and ideals of the divine-right dynasts of the seventeenth and eighteenth centuries, but in the nineteenth and twentieth centuries, when democracy was constantly preached and increasingly practised, they might have seemed old-fashioned and anachronistic. To be sure, there were some recent modifications both in the objects and in the methods of diplomacy: as a result of the industrial revolution, economic questions connected with trade, tariffs, and overseas investments, provided a much wider and more attractive opportunity for tortuous diplomatic negotiation than mere dynastic problems; and by means of the telegraph, the telephone, and the trans-oceanic cable the individual diplomatist was kept in closer touch than formerly with his Government, and incidentally with the armed forces and the chauvinistic press of his country. Still, however, the diplomatists were mainly persons of a class, elderly, suave, insinuating, moving mysteriously their wonders to perform. In certain countries where modern democratic institutions had not taken root or had been stunted prematurely, as in Russia, Germany, Austria-Hungary and Turkey, diplomatists still acted directly at the behest of monarchs or of small governing cliques, who made no pretence of informing the public of their transactions or of consulting the wishes of the common people, unless such a course served their own purpose. Even in freer countries, such as France, Great Britain and Italy, democratic leaders who had laid violent hands upon innumerable institutions of despotism and had brought most matters of domestic concern to the knowledge of a universal electorate, hesitated to assail this last relic of divine-right monarchy or to trust the guidance of international relations to an enfranchised democracy which might by the slightest slip upset the balance of power and plunge the anarchy-infested world into a grim abyss.

So the diplomatists of the twentieth century continued to manage international affairs after conventional models. They laboured, usually in secrecy and stealth, to get from the diplomatists of other Powers what they could for their fellow-countrymen of economic gain or national prestige. Sometimes they got what they desired by cajolery; more often by veiled threats of force and armed violence. If they thought they could do most for their clients by invoking the potential aid of greater armed forces than their own country possessed, they made special "deals" with diplomatists of other Powers, and presto! an *entente*, a military "convention," or a "treaty of alliance" defensive or offensive or both.

ALLIANCES AND THE APPEAL TO FORCE

The game of international diplomacy had become quite involved and absorbing by 1914, and quite hazardous. Germany, Austria-Hungary and Italy were members of a "defensive" Triple Alliance. France and Russia were members of a "defensive" Dual Alliance. Italy and France were parties to a special military "convention." Great Britain was in an alliance with Japan and in a friendly *entente* with both France and Russia. Rumania adhered to the Triple Alliance, and Turkey was in league with Germany and Austria-Hungary. Most of these engagements had been made secretly, and their precise terms were not generally known prior to the World War. The very existence of some of them, notably the Franco-Italian convention and the Turkish alliance with Austria and Germany, was known in 1914 only to the Governments directly concerned. On the eve of the World War German bankers made secret arrangements with bankers of France and England, in both cases with official endorsement of governmental agents, for a settlement of conflicting claims in connection with the Bagdad railway and for a virtual partition of Asiatic Turkey into economic "spheres of influence" to be controlled severally by Germany, Russia, Great Britain and France. At the same time diplomatists of Germany and Great Britain were secretly negotiating the apportionment of "spheres of influence" for their respective industrialists in the old colonial empire of Portugal.

II. Immediate Causes

The diplomatic representatives of the Powers, especially of the Great Powers, were in theory the preservers of the world's peace. In practice, however, the anarchical condition of the European state system rendered their function chiefly that of *liaison* officer between economic interests and armed forces. For in the last analysis the diplomatists of the twentieth century served economic interests and also the prestige of their monarch or their Government by invoking the armed strength of their nations. But by invoking militarism, they were playing a very risky game. Militarism was based as much upon nationalism as upon capitalistic imperialism; it was extolled by patriots regardless of economic or dynastic interests; and it possessed the faculty of producing militarists — men whose vocation was preparedness for war and whose avocation was a search for national injuries or national wrongs. If weakness or negligence were discoverable on the part of a diplomatist or other governmental agent in pressing his country's demands on foreigners, professional militarists experienced little difficulty in stirring the wrath of patriots and heaping it upon the head of the hapless official. Militarists in 1914 were rapidly becoming dictators of international politics. Diplomatists, beginning as servants of dynasts and men of business, were ending as slaves of militarism.

Nationalism, imperialism, militarism — these three stalked the world in 1913 and 1914. Yet even so, the vast masses of mankind desired peace, and thousands of publicists declared that there should be and could be no war. Great forces, it is true, were silently impelling Europe, and the whole world, toward a cataclysm; yet human will and heroic leadership are greater than even those great forces. That the cataclysm came in 1914 is attributable directly to a failure of courageous and honest leadership. A few exalted officials, some through cowardly bungling and others through downright crime, opened the flood-gates; and war engulfed the world.

SERAJEVO AND THE CRIME OF AN AUSTRIAN MINISTER

On June 28, 1914, the Archduke Francis Ferdinand, nephew of the aged Emperor Francis Joseph and heir to the throne of the Dual Monarchy, was assassinated at Serajevo, the capital of Bosnia, by Yugoslav youths. The assassination elicited expressions of regret throughout the world and a tremendous outburst of popular indignation in Austria-Hungary and Germany. The murderers, who belonged to one of the subject peoples of the Austrian Empire, had committed the crime under the influence of patriotic societies and nationalistic propaganda which aimed at disrupting the Dual Monarchy and incorporating its Yugoslav provinces in the independent Kingdom of Serbia. The victim, on the other hand, had been the great hope of all persons who wished to maintain and strengthen German and Magyar supremacy in Central Europe; he was a vigorous champion of the territorial integrity of his own country, a loyal friend to the German Emperor, and an unyielding prop for Teutonic ambitions, economic, national and military.

It was a calamity that the Chancellor and Foreign Minister of the Dual Monarchy at this critical juncture was Count Berchtold, a narrow, headstrong and sinister character. Ever since his accession to power in 1912, he had stubbornly refused to grant any concession to subject nationalities in the Austrian realm and had insistently pursued a most malevolent policy toward Serbia. In 1913, when Serbia was enlarging her territories at the expense of Turkey and Bulgaria, he had endeavoured to persuade Italy to join him in an armed attack upon her. Italy's refusal was galling to Berchtold and likewise to Conrad von Hötzendorff, the bellicose chief of the Austrian General Staff, who complained bitterly that he had twice prepared the armies of the Dual Monarchy for battle and that they could not for ever be disappointed. Now, in 1914, Berchtold instantly perceived in the murder of Francis Ferdinand the opportunity for the final reckoning with Serbia for which he had been waiting; and Conrad was gleeful. Tisza, the Hungarian Premier at the time, objected to Berchtold's policy and warned the Emperor Francis Joseph on July 1 that the crime had been committed on Austrian soil by Austrian subjects, that there was no evidence of Serbia's complicity, and that Austria would universally be regarded as the disturber of world-peace if she utilised the occasion to attack Serbia. Berchtold, however, had the ear and the sympathy of the senile Emperor; he drew up a letter addressed to the German Emperor, and had Francis Joseph sign it and secretly despatch it to William II on July 4. "The crime against my nephew," the Austrian Emperor was guided to say, "is the direct consequence of the agitation carried on by Russian and Serbian Pan-Slavists, whose sole aim is to weaken the Triple Alliance and shatter my Empire. Though it may be impossible to prove the complicity of the Serbian Government, there can be no doubt that its policy, intent on uniting all Yugoslavs under the Serbian flag, must encourage such crimes and endanger my house and countries if it is not stopped. My efforts must be directed to isolating Serbia and reducing her size. After the recent terrible event I am certain that you also are convinced that agreement between Serbia and us is out of the question, and that the peace policy of all European monarchs is threatened so long as this centre of criminal agitation remains unpunished in Belgrade."

THE GERMAN GOVERNMENT ACCESSORY TO THE CRIME

William II needed no convincing. Impressionable and puffed with feelings of his own importance, he was a nationalist of nationalists, an imperialist of imperialists, and a militarist of militarists; he was least minded to put a brake on the Austrian juggernaut. Bethmann-Hollweg, the weak-kneed German Chancellor, was a bit nervous about the situation, but he was William's creature and quite overawed by such determined gentlemen as the High Command of the German army and the German navy. Consequently, when the German Emperor received the autographed secret missive from the Austrian Emperor on July 5, and conferred at Potsdam with Bethmann-Hollweg and certain military and naval potentates, William II's own opinion was confirmed by the latter and encountered no objection from the former. William II promptly and confidentially replied to Francis Joseph that Austria might in this case, as in all others, rely on Germany's full support, that Russia's attitude would no doubt be hostile, though for a Russo-German War he was prepared and Russia was not, that Russia would think twice before appealing to arms, and that he would deeply regret if Austria did not seize the present moment, which was all in her favour, for making war on Serbia. Having thus given Berchtold a blank cheque to do as he would and to draw to the full on the armed forces of Germany, William II started on July 6 for his annual visit to Scandinavia, leaving matters in the hands of diplomatists and general staffs.

On July 7 Berchtold convened the Austro-Hungarian Ministry and urged his colleagues, now that they were assured of unqualified German support, to make such demands on Serbia in connection with the archduke's murder as Serbia would refuse to grant and then to utilise the refusal as an excuse for war. Tisza alone objected, declaring that an Austrian attack upon Serbia would precipitate a World War and might lead to the destruction of the Dual Monarchy. All the other Ministers approved, and Berchtold proceeded to draft an ultimatum. At a subsequent meeting, on July 19, the terms of the ultimatum were unanimously approved, Conrad von Hötzendorff lightly assuring the Ministry that the armed forces of the Dual Monarchy were ready, and Berchtold securing the consent of Tisza by a hypocritical promise that Austria would disclaim annexations of territory.

In the meantime Berchtold had received from a confidential agent, whom he had entrusted with the investigation of the archduke's assassination, a report to the effect that the outrage had really been committed by Austrian subjects and that there was "nothing to prove or even to cause suspicion of the Serbian Government's cognisance of the steps leading to the crime." This report Berchtold hid away from the public and even from Tisza, Francis Joseph, and the German authorities at Berlin. He was criminally resolved not to allay popular feeling in Austria and Germany against Serbia.

AUSTRIA'S ULTIMATUM TO SERBIA AND RUSSIA'S EXCITEMENT

The day selected for the presentation of the Austrian ultimatum to Serbia was nicely calculated. It was July 23, when a labour strike at Petrograd was concerning the Russian Government, when the French President and the French Premier and Foreign Minister were ending a State visit to Russia and were on the waters of the Baltic on their way to Scandinavia, and when the British Ministers were viewing with alarm the probable breakdown

of an Anglo-Irish conference in London and the beginning of open hostilities in Ireland. On this day the Serbian Government received at Belgrade the Austrian ultimatum. It was couched in the most peremptory language and breathed a spirit of exasperation and determination. It alleged that, by failing to suppress anti-Austrian conspiracies, Serbia had violated her promise, made in 1909, to "live on good neighbourly terms" with Austria-Hungary and had compelled the Government of the Dual Monarchy to abandon its attitude of benevolent and patient forbearance, to put an end "to the intrigues which form a perpetual menace to the tranquillity of the monarchy," and to demand effective guarantees from the Serbian Government. As such guarantees, Serbia was called upon to suppress anti-Austrian publications and societies, to discharge any official whom the Austrian Government should accuse of anti-Austrian propaganda, to discard anti-Austrian text-books from the Serbian schools, "to accept the collaboration in Serbia of representatives of the Austro-Hungarian Government for the suppression of the subversive movement directed against the territorial integrity of the monarchy," and to signify unconditional acceptance of the whole ultimatum within forty-eight hours.

On July 25 the Serbian Government replied to Austria, promising to comply with such demands as would not impair the country's independence and sovereignty, and offering to refer all disputed points to the international tribunal at The Hague or to a conference of the Great Powers. At the same time Serbia mobilised her armed forces. The Austro-Hungarian Government immediately pronounced the reply evasive and unsatisfactory, broke off diplomatic relations and ordered military mobilisation. War was clearly impending between Austria-Hungary and Serbia.

But a much vaster and more terrible war was also impending. Berchtold was determined at any cost to have the reckoning with Serbia of which he had been baulked in 1913, and which the German and Magyar peoples regarded as essentially defensive. Sazonov, the Russian Foreign Minister, and his colleagues at Petrograd were not less resolved to defend Serbia against Austrian aggression. The Russian Government was convinced that an Austro-Hungarian military success would consolidate Teutonic power in the Balkans and Turkey and would thwart Russia's ambition to possess Constantinople and deprive her of all influence in south-eastern Europe. They knew that if they resisted Austria they would have the enthusiastic support of all Russian patriots. And just as the hot-headed chief of the Austrian General Staff was abetting the warlike diplomacy of Berchtold, so Sazonov and his nominal master, the weak-willed Tsar Nicholas II, were besought by Russian militarists, notably by Sukhomlinov, the War Minister, and by Yanushkevich, the Chief of Staff, to let them unleash their armed forces and avenge the honour of Russia and the cause of Pan-Slavism.

PACIFIC EFFORTS OF SIR EDWARD GREY

Sir Edward Grey, the British Foreign Minister, appreciating the serious character of the crisis which was developing in Russo-Austrian relations, proposed on July 26 that a conference of diplomatic representatives of Great Britain, France, Italy and Germany should "meet in confidence immediately for the purpose of discovering an issue which would prevent complications," and that "all active military operations should be suspended pending results of conference." The French and Italian Governments speedily accepted the proposal, but the German Government, insistent that the quarrel concerned Austria-Hungary and Serbia alone, declined to participate in any inter-

national conference without Austria's express approval. On July 28, Austria-Hungary formally declared war against Serbia.

Thenceforth events marched fast. Amidst the frantic endeavours of Sir Edward Grey to find some basis for international action which would preserve peace among the Great Powers, military preparations went feverishly forward. Control was passing from faltering diplomatists to determined general staffs, from mysterious negotiation to open and inflamed nationalism. Already, on July 26, Winston Churchill, First Lord of the Admiralty, on his own responsibility had given orders that the British fleet, which had assembled at Portland for manœuvres, should not disperse but should hold itself in readiness for war. Now, on July 29, when news reached Petrograd of Austria's declaration of war against Serbia, the Tsar, on the advice of Sukhomlinov, ordered the mobilisation of the Russian army. That evening, at a German Crown Council at Potsdam, whither William II had returned from his Scandinavian trip, General Moltke, the German Chief of Staff, argued that general war was inevitable and that German mobilisation should be begun at once.

For a few hours hope of peace revived. The German officials who had rashly given Berchtold early in July a blank cheque were now suddenly alarmed by the staggering magnitude of what their country might be expected to pay in honouring the cheque. They had interested themselves in the Austrian ultimatum to Serbia; its drastic terms surprised them. They had imagined they could isolate an Austro-Serbian conflict; the warlike attitude of Russia astounded them. Very late they realised what they had done, and beginning on July 29 they seriously sought a way out. William II despatched a friendly telegram to Nicholas II. Bethmann-Hollweg urged Austria to resume negotiations with Russia and wired the German Ambassador at Vienna: "As an ally we must refuse to be drawn into a world conflagration because Austria does not respect our advice. Tell Berchtold with all emphasis and great seriousness." At the same time the German Government adopted a more conciliatory attitude toward Sir Edward Grey's proposals.

The change of front at Berlin produced some results. The Tsar promptly countermanded the orders for general mobilisation, which had not yet been published, and directed that Russian mobilisation should take place only along the Austrian frontier and as a precautionary measure. Almost as promptly Berchtold receded from his extreme position and resumed direct diplomatic negotiations at Petrograd. Sir Edward Grey took heart.

RUSSIA'S MOBILISATION AND ITS DIRECT RESULTS

What began auspiciously though tardily, ended speedily and direfully. Sukhomlinov and Yanushkevich, the military masters of Russia, were resolved not to brook any delay in armed preparation: they disobeyed their orders and allowed the general mobilisation to continue, while concealing it from the Tsar and denying it to the German military attaché; on the night of July 30 they so alarmed the Tsar with their account of the Austrian bombardment of Belgrade that he finally consented to sign new orders for general Russian mobilisation, thereby legalising what Sukhomlinov had done. It is doubtful whether the Tsar fully grasped the significance of his own action, for he proceeded to telegraph William II and King George V that his action was not to be interpreted as belligerent. Nevertheless, Sukhomlinov, and Sazonov too, knew that general war would follow and with criminal levity they now welcomed it. In the secret military convention between Russia

and France it had been stipulated that general mobilisation by either Power should be interpreted as a declaration of war.

Russian mobilisation gave the militarists at Berlin the upper hand. General von Moltke had no trouble now in convincing William II and Bethmann-Hollweg that the Russians meant business and that an hour's delay in German mobilisation would be perilous to the fatherland. On July 31 Germany presented a twelve-hour ultimatum to Russia, demanding immediate demobilisation. Russia did not comply. Germany declared war. The Germans knew that war with Russia was almost certain to involve France. They knew that France was the sworn ally of Russia. They appreciated the popular conviction in France that common cause must be made with Russia in order to secure her own position as a Great Power and recover Alsace-Lorraine. Accordingly, on the very day of delivering their ultimatum to Russia, the German Government demanded a statement from Paris within eighteen hours whether France would remain neutral. The German Ambassador was instructed, if perchance the answer should be affirmative to demand as a special guarantee the surrender to Germany, for the duration of the war, of the French border fortresses of Toul and Verdun. On the same day the French Government ordered general mobilisation, and on August 1 replied to the German ultimatum that "France would consult her interests." Two days later Germany declared war against France.

HESITATION OF SOME GREAT POWERS; PROMPT ACTION BY GREAT BRITAIN

Thus, within a week of the declaration of hostilities by Austria-Hungary against Serbia, four Great Powers were in a state of war — Germany and Austria-Hungary opposed to Russia and France. Italy and Rumania, with feet in both camps, promptly proclaimed their neutrality, on the ground that the war was not defensive on the part of Austria-Hungary and Germany, but offensive, and that therefore they were not bound to give assistance to their allies. Thereby the Italian Government kept their secret military convention with France; and it was not long before they, and the Rumanian Government likewise, were pressing Austria-Hungary for "compensations" in accordance with provisions of the Triple Alliance. The Turkish Government also proclaimed the neutrality of the Ottoman Empire, but in this case the proclamation was thoroughly hypocritical; it was intended to gain time so as to enable the Turks to perfect their military plans and fulfil at a more favourable moment their treaty obligations to Germany and Austria-Hungary.

Great Britain, on the other hand, almost immediately entered the war. The British people, on the whole, had marked sympathy for France and little love for Germany, and Sir Edward Grey had already informed the German Government that he could not bind Great Britain to observe neutrality. On August 2 he went further and announced that, "if the German fleet comes into the Channel or through the North Sea to undertake hostile operations against French coasts or shipping, the British fleet will give all the protection in its power." And on the morning of August 4 when news reached London that German troops were actually invading Belgium on their way to France, the British Government with popular support in Parliament and throughout the country, decided finally to join France and Russia. Sir Edward Grey at once despatched an ultimatum to Berlin, requiring assurances by midnight that Germany would respect Belgian neutrality. Germany refused, on the ground of military necessity, and Bethmann-Hollweg, with evidence of anger and disappointment, rebuked Great Britain for making

war "just for a word — 'neutrality' — just for a scrap of paper." On August 5 Great Britain formally declared war against Germany.

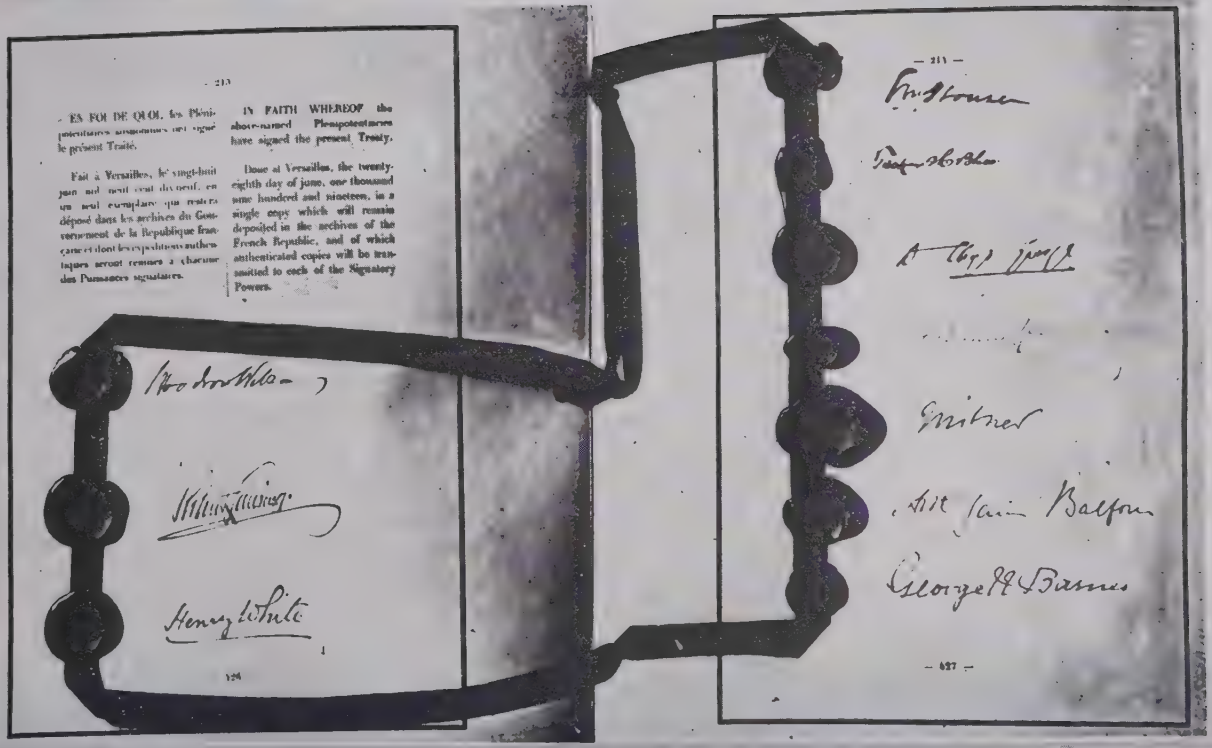
WAS THE WAR INEVITABLE?

The World War had come as in the twinkling of an eye. It filled thousands with enthusiasm and millions with consternation. It immediately gave rise to all manner of explanations and justifications, for every people, no matter how ignorant they were of the real causes or how surprised by the suddenness of the event, willed to believe that their particular Government had acted wisely and honourably and that the conduct of their foes was diabolical.

The World War was directly precipitated by certain officials of the Russian General Staff. But their conduct was a natural outcome of the criminal activity of an Austrian Foreign Minister, and this in turn was aided and abetted by criminal negligence at Berlin. The egotistical William II and the addle-pated Bethmann-Hollweg gave fatal *carte blanche* to the evil Berchtold; and the decision speedily passed from diplomatists to general staffs.

Yet we must not take too seriously a few actors who strutted on the stage of European politics in July, 1914, and who by cowardice or cunning precipitated armed conflict. They would have been quite unable to precipitate any international war, much less a World War, had they not been, equally with millions of common people, the more or less willing agents of immense forces which for a generation had been predisposing the world to mortal combat. The whole world was parcelled out among states whose mutual distrusts and jealousies were quickened by rival nationalisms and rival imperialisms; and the existence among these states of a group of Great Powers, divided in the twentieth century into two huge armed camps, provided a mighty impetus to rival militarisms. The rapid rise of nationalism in the Balkans gave a most disquieting aspect to Austro-Russian Imperial rivalry in south-eastern Europe. The stimulation of national consciousness among the subject peoples of the Austrian Empire indirectly imperilled all non-national states and directly embittered the relations between Germany and Russia. The attempts of Germany to obtain a commanding position in world-trade and in overseas dominion excited not only German nationalism but the nationalism of France and of England too, and incidentally brought into lurid light the future fate of the rich and populous basin of the historic river Rhine. It was, indeed, characteristic of the new age that men of business were pushing their several Governments into intense rivalry with one another, while patriots were pulling and applauding, and that armies and navies were standing ready to enforce economic interests and national honour. The world-stage was set for a gigantic war, and the stage hands comprised not alone a few scheming diplomatists but groups of professional militarists and crowds of unwitting business men and patriots.

Governments in 1914 might have postponed or altogether prevented the World War if they had possessed extraordinary foresight and self-control and if, above all, they had not been victimised by a state system which they had inherited and which was utterly anarchical. That they did nothing in the years preceding 1914 to abate international anarchy remains the fundamental accusation against them.



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The Peace Treaty with signatures of American and British delegates affixed. The names read: Woodrow Wilson, Robert Lansing, Henry White, E. M. House, Tasker H. Bliss, D. Lloyd George, A. Bonar Law, Milner, Arthur James Balfour, George H. Barnes.

CHAPTER VI

SECRET TREATIES AND OPEN COVENANTS

By Charles Seymour, Litt.D., LL.D.

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In time of war diplomacy assumes a double function. It becomes an adjunct of the military arm of government, negotiating with neutral or allied states so as to secure military and economic assistance or, to better in some other way the conditions under which the war is waged; it also must look ahead to the time when peace shall be made, in order that the victory, if it be secured, may be exploited to its full extent.

This double function appears clearly in the history of the World War. During the earlier stages the diplomats of the belligerent powers bent their energies chiefly in the direction of winning new allies or solidifying the diplomatic engagements already made. As the war progressed, the negotiations tended more and more towards a crystallisation of war aims. At times the two functions merged, since a new ally could be secured or an old ally held fast only by a guarantee that its war aims were to be fully satisfied.

When the war broke out, in August, 1914, Great Britain, France and Russia were bound by a diplomatic understanding, and formed what was commonly called the Triple *Entente.* This rested upon various special conventions, notably upon that of 1904, between France and Great Britain, and that of 1907, between Great Britain and Russia. France and Russia were united in a definite offensive and defensive alliance. The *Entente* had assumed something of the character of an informal alliance by reason of the military and naval conversations which representatives of the Powers had engaged in, but it offered no guarantee that the three states would continue to make war or peace in common. In order to furnish the mutual confidence necessary to vigorous waging of war, on September 5, 1914, Sir Edward Grey, Paul Cambon, and Count Benckendorff, for Great Britain, France and Russia respectively, signed a declaration in which they engaged not to conclude peace separately. In this declaration, known as the Pact of London, the three Governments agreed that when terms of peace came to be discussed, no one of the Allies would demand terms without the previous agreement of each of the others. This was the diplomatic basis of the anti-German alliance.

Six weeks later it was strengthened by the adhesion of Japan. That Power had been bound to Great Britain by an alliance which had been in force since 1902. In August, 1914, the British asked for Japanese intervention on the ground that German cruisers in the Far East were a menace to the commerce and peace of the Orient, and that the interests of the Japanese as well as the British made the alliance operative. How anxious the British really were for Japanese intervention may be questioned. On August 15 a

note was sent from Tokio to Berlin containing the "friendly advice" of Japan that the German fleet be withdrawn from the Far East and that Kiaochow be surrendered to Japan in order to be handed back to China. There was a touch of irony in the verbiage employed, for in 1895, after the Treaty of Shimonoseki, Germany had joined with Russia to give "friendly advice" to Japan, thus compelling the latter Power to surrender South Manchuria.

The Japanese note was unheeded by Berlin, and on August 23, the date previous to which an unconditional acceptance of the advice had been asked, Japan declared war on Germany. Baron Kato explained his policy to Parliament: "Japan has no desire or inclination to become involved in the present conflict. But she believes she owes it to herself to be faithful to the alliance with Great Britain and to strengthen its foundation by insuring permanent peace in the East and protecting the special interests of the two allied Powers." On October 19, 1914, Japan signed the Pact of London.

While the *Entente* was thus solidified and extended, the Teutonic diplomatic group experienced difficulties which were none the less serious because they had been to some degree anticipated. Germany and Austria had been bound to each other since 1879 by a special treaty of defensive and offensive alliance. Three years later, in 1882, the two Powers, without abrogating their dual arrangement, which continued to be the basis upon which their diplomatic relations were founded, entered into the Triple Alliance with Italy, which was of a defensive character and which had been renewed as recently as 1912. Rumania, urged by resentment against Russia, had in 1883 signed a treaty alliance with Austria to which Germany had acceded, promising that she would enter no alliance or engagement directed against her allies.

Germany knew that she could count unreservedly upon neither Italy nor Rumania. The former had utilised the Triple Alliance to protect herself against possible aggression on the part of France and to maintain the *status quo* in the Adriatic. But since 1900 she had begun to reëstablish friendly relations with France, and as the Anglo-German quarrel developed she had tended towards the Triple *Entente*, since friendship with Great Britain was an axiom of Italian policy. In 1902 Italy exchanged notes with France declaring that "in case France shall be the object of a direct or indirect aggression on the part of one or more Powers, Italy will maintain a strict neutrality." Ten years later, in 1912, the Italian General Staff informed the Germans and Austrians that the Italian Third Army could not serve on the Rhine as the left wing of the German armies. Italian feeling against Austria developed rapidly after the annexation of Bosnia in 1908, and public opinion in Italy began again to regard Austria as the national enemy.

Rumania, also, had slipped from the influence of her Teutonic allies. In 1913 she had joined with Serbia, Austria's enemy, to attack Bulgaria, which at the moment was the *protégé* of the Central Powers. Her statesmen appeared to be upon close terms with Russian diplomats. Like Italy, Rumania was affected by irredentist dreams; if she had a grudge against Russia for the seizure of Bessarabia, she also hoped some day to build a Greater Rumania by the inclusion of Transylvania and Bukowina, which could only be secured through a successful war against Austria-Hungary.

Austrian diplomacy in the crisis of 1914 was sufficiently *gauche* to ensure the alienation of both Italy and Rumania. When, on August 2, Germany appealed for Rumanian assistance, the Rumanian Council listened coldly to the arguments of the Hohenzollern King Carol; on August 3 it decided with only a single dissenting vote against bringing the treaty obligation into effect, on the ground that the *causa foederis* did not exist, since Rumania had not been consulted upon nor informed of the Austrian *démarche* regarding Serbia.

The vote was doubtless affected by the attitude of Italy, since word had come that on August 3 the latter Power had declared her neutrality.

Italy's decision was based ostensibly on Article VII of the Treaty of Triple Alliance, which called for an exchange of information between the Powers previous to any modification of the *status quo* in the Balkans, and an agreement based upon reciprocal compensation; Italy further insisted that since the war with Serbia was not defensive the *causa foederis* was not operative.

THE TREATY OF LONDON

On October 15 the Marquis di San Giuliano, Italian Foreign Secretary and a firm adherent of the Triple Alliance, died in office. He was succeeded by Baron Sidney Sonnino. On December 9, the latter formulated Italy's claim to compensation for the alteration of the *status quo* in the Balkans, following Austria's attack upon Serbia. The negotiations continued until May 23, 1915, Austria at first protesting, but gradually yielding under German influence and Italy's threats of a formal termination of the Triple Alliance. In March, 1915, Austria consented to discuss the possible cession of Austrian territory inhabited by Italians; but the demands of the latter proved to be on an ascending scale. In April Sonnino decided definitely in favor of joining the *Entente* Alliance, and on May 3 Italy formally denounced the Triple Alliance. On May 23 war was declared against Austria, although peace was technically preserved with Germany for more than a year longer.

Italy's rupture of the Triple Alliance was in part motivated by popular feeling, which had turned against the Central Powers and which became intense after the sinking of the "Lusitania." It also resulted in part from the attractive offers made by the *Entente* Powers, who were in a position always to outbid Austria; the offers of the latter must be made out of her own pocket, while the *Entente* could offer territories which belonged to their enemies. Conversations between Italy and the *Entente* extended through the spring of 1915 and developed slowly, chiefly because of Russian anxiety to protect the interests of the Slavs of the Adriatic coast.

The demands of Italy were high, but were finally met in large degree. If Italy would enter the war actively on the side of the *Entente*, she was promised the Trentino and Tyrol as far north as the Brenner, Trieste, the peninsula of Istria, and northern Dalmatia, with the islands. The city of Fiume was to be left to the Croatians. The southern Dalmatian coast was to be neutralised. Italy was to receive Valona and the right of conducting the foreign relations of Albania, was to obtain in full possession the islands of the Dodecanese then occupied by her, and in case of a partition of Turkey would share with the other *Entente* Powers. If France and Great Britain should extend their colonial possessions in Africa at the expense of Germany, they promised to admit Italy's right to compensations.

The Treaty of London, which embodied the above provisions, was signed on April 26, 1915, while Italy was still negotiating with Austria. It promised to Italy not merely strategic protection on her northern and eastern frontiers, but what amounted to the control of the Adriatic. With Pola, the islands, and Valona in her possession, southern Dalmatia neutralised, and northern Dalmatia Italian territory, the Adriatic would become an Italian lake, and Italy would acquire a grip upon the Balkans. She would control trade from the north by possession of Trieste, unless Fiume, which was to be left to the Slavs, should be able to compete successfully.

The Treaty of London was not based upon the principle of nationalities. In the Tyrol over three hundred thousand German Austrians would be placed

under Italian sovereignty, and in Istria and on the coast more than a million Slavs would be transferred from Austrian to Italian rule. But Italy was impelled by what her Premier Salandra called "sacred egoism," and the *Entente* Powers were willing to bid high for the military assistance which in the spring of 1915 appeared to be invaluable.

Italy's defection from the Triple Alliance was a severe blow to the Central Powers, but it had already been in some degree compensated for by German diplomatic success in winning the military assistance of Turkey. When the war broke out the Turks realised that they had little to hope from an alliance with the *Entente* Powers except a guarantee of territorial integrity. Germany and Austria, on the other hand, could hold out prospects of a renaissance of Turkish power under Teutonic protection, provided Russia and Great Britain were defeated. Feeling in Turkey was strong against the *Entente* because of their support of Serbia and their negotiations with Greece, the states which in 1913 had proved to be the chief depredators.

During the spring of 1914, Turkey, in fear of Russia, had discussed the possibility of an alliance with Germany, and on August 2, 1914, a treaty was actually signed. It was not at once ratified, since Turkey was ill-prepared for war, but it led to a definite accord with Germany; the Turks decided to proclaim their neutrality, secretly commencing war preparations. The situation was complicated by the fact that the British had seized two warships which their yards had nearly completed for the Turkish navy, and Turkish opinion regarded this detention as a concrete and substantial grievance against Great Britain, as distinguished from other Powers. On the other hand two German warships, the "Goeben" and "Breslau," chased through Mediterranean waters by British cruisers, had taken refuge at Constantinople. There a fictitious sale took place, which ostensibly made them over to Turkey. Actually, however, the German crews remained manning the ships, somewhat to the embarrassment of the neutralist members of the Turkish Government, but a ready instrument for the Turkish leaders who expected to throw in their fortunes with Germany at a propitious moment.

The *Entente* representatives at Constantinople soon discovered that their influence was on the wane, and in October the Turks evidently decided upon immediate participation in the war. On October 27 the "Goeben" and the Turkish fleet left for the Black Sea, and two days later bombarded Odessa and other Russian ports. The fleet was under the command of the German Admiral Souchon, but the *coup* was concerted with the pro-German Enver Pasha and probably with the fore-knowledge of Talaat Bey. On November 5 the British Government declared war on Turkey, and by an Order-in-Council annexed Cyprus.

Germany was equally successful in winning Bulgaria to her side. That power had been disappointed with and disgusted by the results of the Balkan League, formed largely under Russian auspices, and the defeat by Serbia and Greece in 1913 had thrown her back under the influence of Austria. The Tsar of Bulgaria, Ferdinand of Coburg, furthermore, had remained consistently Germanophile. In July, 1914, Radoslavov, Premier of Bulgaria, expressed his readiness to consider joining the Triple Alliance, and on August 2 a draft treaty was submitted. The *Entente* Powers, on the other hand, realised the importance of meeting German offers, and during the autumn of 1914 and the spring of the following year carried on active but unsuccessful negotiations. Compliance with Bulgarian demands would necessitate concessions on the part of Rumania and Greece, whom the *Entente* Powers at the moment were hoping to persuade to enter the war and who looked for accessions and not deprivation of territory; Serbia, likewise, was unwilling to make the sacrifices asked by Bulgaria. The Central Powers, of course, could promise territory freely because most of it belonged to their enemies.

In December, 1914, the German Government sent Von der Goltz to pay a demonstrative visit to Tsar Ferdinand and to promise that Serbia and Greece would be made to yield their recent acquisitions; a month later a large advance was made by German banks, which was followed by further sums between February and June. Bulgarian hesitations were determined by the victories of the Central Powers in Galicia and Poland and by the *Entente* failure at Gallipoli. On July 22, 1915, a preliminary agreement was signed with the Central Powers, and on September 5 a formal treaty. Bulgaria was promised Serbian Macedonia and Salonika, Greek Epirus, Thrace to the Enos-Midia line, and, in certain eventualities, large portions of the Dobrudja. On September 21 the Bulgarian Government issued orders for a general mobilisation, and on October 11 Bulgarian troops crossed the Serbian frontier. The *Entente* Powers at once declared war.

German diplomatic success with Turkey and Bulgaria may have been due in part to tactical errors on the part of *Entente* agents. But the basic reason was that in each case the Central Powers had more to offer. In the case of Greece, the *Entente* Powers possessed the advantage. Through their control of the sea they could overrun the peninsula if Greece joined the enemy, and they could also promise vast acquisitions of territory at the expense of Turkey if Greece would enter the war on their side. In Eleutherios Venizelos, Premier of Greece, the *Entente* possessed a firm friend, who consistently advocated active military coöperation. But King Constantine, brother-in-law of the Kaiser, was equally consistent in his advocacy of a neutralist policy. The first believed in an ultimate *Entente* victory and saw a prospect of creating a Greater Greece, dominating the Aegean and controlling western Asia Minor. The King was impressed by the military strength of Germany and expected a German victory. In the conflict between the two, the *Entente* Powers failed at first to adopt a clear-cut policy. It was not until 1917 and as a result of direct coercion on the part of France and Great Britain that the triumph of Venizelos was secured.

VENIZELOS *versus* CONSTANTINE

During the first fourteen months of the war Venizelos remained in power, except for a brief interval in the spring of 1915. The proposals of the *Entente*, however, were not sufficient to break Constantine's neutralist determination; it was the period when the *Entente* Powers hoped to secure the assistance of Bulgaria, which could only be won through the surrender of Kavalla by Greece. Venizelos was anxious to coöperate with the *Entente* in the attack on Gallipoli, but the King was obdurate and the Greek General Staff disapproved the plan. In March, 1915, Venizelos resigned, but following a general election in June he was reinstated. On October 4 he declared that since Serbia had been attacked by Bulgaria, Greece must go to her assistance in deference to her treaty of alliance. This declaration of his determination to enter the war on the side of the *Entente* led to his immediate dismissal and the dissolution of Parliament by King Constantine.

A new election was held, from which the Venizelists abstained, on the ground that the dismissal and dissolution were unconstitutional. The new Chamber was thus anti-Venizelist and strongly neutralist. The *Entente* Powers increased their pressure. They had sent an army to Salonika under General Sarrail to bring assistance to the Serbs, and this proceeded to establish itself on Greek territory. In January, 1916, *Entente* troops seized Corfu as a base for the recuperation of the defeated Serb army, and when the Bulgars in May, 1916, crossed the Greek frontier, the *Entente* Powers claimed full freedom of action on Greek soil. They proclaimed an intermittent block-

ade and finally on June 21, 1916, demanded complete demobilisation of the Greek army. During the twelve months that followed, the pressure of the *Entente* became more exacting. In September, 1916, Venizelos raised the flag of revolt, and passed to Salonika where he established a government of national defense. The British offered him rather wavering support, promising to recognise him as *de facto* ruler where he was actually accepted.

In the meantime the *Entente* had seized the posts and telegraphs, taken Greek ships, and called for the surrender of war material to offset that taken by the Bulgars on the northern frontiers. To enforce their demands the French landed marines at the Piraeus and entered Athens. After street fighting the *Entente* virtually assumed political control of Greece, the Government, under threat of blockade, reducing the number of troops to that necessary merely for police protection. In June, 1917, the abdication of Constantine was demanded, based upon the opinion of the protecting Powers that the King had violated the constitution. Under the threat of seizure of the Isthmus of Corinth, the invasion of Thessaly by Sarrail, and the landing of more troops at the Piraeus, the demand was accepted and Constantine left the country. On June 21 Venizelos reappeared in Athens and on June 27 had reorganised the Government with Constantine's son, Alexander, as King. The declaration of war which Venizelos had issued at Salonika became generally effective, and Greece thus formally entered the war.

The case of Rumania is not exactly parallel to that of either Greece or Italy. Unlike Greece she could not be coerced, for the *Entente* possessed no means of direct pressure; and while, as in the case of Italy, she looked across the mountains to the unredeemed Rumanians under Habsburg rule, she was also affected by the hope of freeing her kinsmen in Russian Bessarabia. We have noted that at the moment of the breaking out of war, the former influence of the Central Powers at Bucharest had been eclipsed and a strict neutrality was determined upon by the Rumanian Government. Relations were close with Italy, and an agreement providing for action in common was signed in September, 1914. In view of conflicting factors the only wise policy seemed to be a waiting upon events. Rumania could not afford to be upon the losing side.

Early in the war Russia opened negotiations, offering, in return for a promise of neutrality, to oppose all attempts against Rumanian integrity and recognising Rumanian claims to Austro-Hungarian territory inhabited by a majority of her nationals. Germany, on the other hand, seems to have offered to Rumania part of Bessarabia and the Rumanian districts in the Timok valley. The Russian successes of 1914 impressed the Rumanian Government so far that in the spring of 1915 it intimated its readiness to enter the war on the side of the *Entente*, in return for the acquisition of Transylvania, Bukowina, and the Transylvanian forelands as far west as the Theiss, including the Banat. But agreement was difficult because of Serbian claims to the western Banat, which Russia supported; with the Russian defeats of the spring, negotiations lapsed. Rumania, in fact, began to lean towards the other side, and after the intervention of Bulgaria and the overrunning of Serbia in 1915, she concluded commercial agreements with Austria-Hungary and Germany which were decidedly advantageous to the Central Powers. According to Count Czernin, if Hungary had been willing to make territorial concessions, the active military coöperation of Rumania might then have been secured by the Central group.

Popular sentiment in Rumania, however, continued to favour the *Entente*, and the Premier, Bratianu, believing in an ultimate *Entente* victory, was inclined to enter the war against Austria as soon as a fit opportunity offered. This seemed to come in the early summer of 1916. German defeats at

Verdun and Russian and Italian victories appeared to foreshadow the failure of the Central Powers. Negotiations with Russia were resumed, and that Power showed herself ready to make concessions, in particular to concede Rumanian claims to the western Banat. Great Britain and France offered to undertake a military offensive from Salonika, and Russia promised the most vigorous support. On August 18, 1916, the secret Treaty of Bucharest was signed by the *Entente* Powers and Rumania, promising full satisfaction for the claims of the latter in the Banat, Transylvania, the Transylvanian forelands, and Bukowina. On August 27 Rumania declared war, King Ferdinand emphasising the force of public opinion which compelled this step.

The promises made formally by the *Entente* Powers to Italy and Rumania, and somewhat less formally to Greece, in order to secure the military assistance of those states, obviously compelled a certain crystallisation of war aims. As the war progressed, the statesmen of Great Britain, France and Russia felt the need of defining exactly the advantages which they themselves would draw from the anticipated victory. They looked upon the war as having been undertaken at first as one of self-defense. But whatever the factors which had precipitated the struggle, it was natural that they should look forward to certain political compensations for the tremendous sacrifices they were making. A definition of such compensations might lead to greater solidarity and intensity of effort. From the spring of 1915 on, *Entente* diplomats were engaged in negotiations, some resulting in formal treaties.

THE SECRET TREATIES OF THE *ENTENTE*

The constancy of the Russian Government was always under suspicion. Because of this and also because of the vital necessity of Russian military aid, the Western Powers took under special consideration the territorial aspirations of Petrograd, of which the most important was political control of Constantinople and the Straits. In March, 1915, the matter was formally broached by Russia and benevolently considered by the French and British. It had been under discussion since the entrance of Turkey, on the side of Germany, in the previous autumn. On March 20, the Russian Minister for Foreign Affairs acknowledged gratefully the assent of the *Entente* Powers. The agreement provided for Russian annexation of Constantinople and the region of the Straits, including a strip of eighty miles along the Black Sea; Constantinople itself was to be a free port. As regards Persia, Great Britain was to include the neutral zone in its sphere of influence, but Russia was to have full liberty in the northern zone. The special rights of Great Britain and France in Asiatic Turkey were recognised by Russia; the Holy Places should remain under Moslem rule.

Two years elapsed before the special war aims of France were recognised by treaty, and even then the agreement was not of a nature calculated to affect the final settlement. The French demand for the restoration of Alsace-Lorraine was tacitly approved by the British Government, and in private discussions as well as in public speeches it was consistently laid down as a condition of peace with Germany. French aspirations, however, soared higher. In the event of a victory they hoped to secure the Saar valley, with its invaluable coal, part of which had been taken from France after the battle of Waterloo. They also hoped to detach from a defeated Germany the districts on the left bank of the Rhine, in order that the Rhine might in future form a perfect strategic frontier against a German invasion. The British Government at no time officially expressed approval of the latter plan, and on December 19, 1917, Mr. Balfour declared that "never did we encourage

the idea that a bit of Germany should be cut off from the parent State and erected into some kind of . . . independent Government on the left bank of the Rhine." Ten months earlier, however, the Imperial Russian Government, on February 14, 1917, formally approved the French plan, in return for which France recognised Russia's complete liberty in establishing her western frontiers. This agreement, which might have become of the first importance, lost its significance after the Russian Revolution and the withdrawal of Russia from the war.

The chief war aims of Japan included the control of the Shantung peninsula and the annexation of the German islands in the Pacific north of the equator. The diplomatic position of Japan was strong because of her occupation of these regions and her treaty alliance with Great Britain. In July, 1916, she strengthened that position by treaties with Russia, the secret clauses of which, amounting to an offensive and defensive alliance, bound the two Powers to act in common, in order to prevent the political domination of China by any third Power entertaining hostile designs towards Russia or Japan. Japanese influence in China, which had already been fortified by the latter's acceptance of her twenty-one demands in May, 1916, seemed supreme. It was not materially weakened by the Lansing-Ishii Agreement of October, 1917, which, while it forbade special rights and privileges incompatible with the integrity and independence of China, nevertheless recognised that Japan had special interests in China because of her geographical position. In the meantime, Japan secured from the *Entente* Powers the promise of support for her demands for Shantung and the German islands north of the equator. Russia and Great Britain gave their promise in February, 1917; France on March 1. On March 28 an oral assurance was given by Italy to the effect that she "had no objection regarding the matter." The Government of the United States does not seem to have been informed of these promises.

The most complicated series of negotiations that took place between the *Entente* Allies concerned the Near East and the partition of Turkey. The agreement of March, 1915, and the Treaty of London, April 26, 1915, provided, as we have seen, for the most vital Russian demands and, more generally, for Italy's claims in the Near East. Further negotiations proved necessary. In October, 1915, the British began the organisation of an Arab revolt against Turkish rule, which was desired as a protection to Egypt and a direct blow against Turkey. They promised that in the event of success they would recognise the independence of the Arabs south of latitude 37° except in the provinces of Basra and Bagdad and in the regions where Great Britain was "not free to act without detriment to the interests of France." A less formal promise also seems to have been made, looking towards the creation of four Arab states, each to be ruled by a son of the Cherif of Mecca: the Hedjaz, Syria, Mesopotamia and Kurdistan.

In such a partition of Asiatic Turkey both Russia and France were vitally interested, and in May of the following year special agreements defining the aspirations of each Power seemed necessary. By the so-called Paléologue-Sazonov Agreement of May 16, 1916, Russia was promised the four Viiayets of Erzerum, Trebizond, Van and Bitlis, comprising most of Turkish Armenia; Palestine was to be internationalised. The interests of the British and French in Mesopotamia and Syria respectively were recognised, and were defined by a second agreement (the Sykes-Picot Treaty) of the same date. This agreement coming to the knowledge of the Italians, they naturally asked for a more exact definition of their interests in Asiatic Turkey. To this France and Great Britain must perforce agree and in April, 1917, they signed the St. Jean de Maurienne Agreement which gave to Italy rights in south-western

Asia Minor (region of Adalia, Smyrna, Aidin), similar to those acquired by Great Britain and France in Mesopotamia and Syria.

The agreements concerning the partition of Turkey were not entirely clear, and in some respects were apparently contradictory. The promises made to Greece conflicted with those made to Italy at St. Jean de Maurienne. The Sykes-Picot Treaty did not fit in with the promises made to the Cherif of Mecca, and in June, 1917, Sir Mark Sykes, on behalf of the British, made further promises to representative Syrians which did not accord with the agreement with France. Finally the binding character of the St. Jean de Maurienne Agreement was questioned later by the French and British, since the approval of Russia was never received. None the less a general scheme of partition was drafted by the summer of 1917 which the Peace Conference attempted to follow closely.

The scope of German diplomacy in the war was restricted largely to the attempts to win and hold her allies and to avoid trouble with neutrals because of submarine methods. The single important exception is to be found in the series of diplomatic manoeuvres which ended with the Treaties of Brest-Litovsk and Bucharest, by which in the early spring of 1918 both Russia and Rumania withdrew from the war. German war aims in the west depended entirely upon military events; a sweeping victory would doubtless have resulted in the annexation of Belgium and such important rectifications of the French frontier as would have given to Germany the iron districts of Briey, perhaps Belfort, and possibly north-eastern France to the mouth of the Somme. Responsible German opinion, however, did not count upon more than the inclusion of Belgium in the German customs union and slight rectifications in the German-French frontier.

In the east the German Government hoped for greater advantages. Territorially these advantages would consist of the creation of an independent Poland and a ring of Baltic states, emancipated from Russia and brought directly under German economic, and indirectly under German political control. Long negotiations with Germany's ally, Austria-Hungary, took place regarding the extent of the Polish kingdom that was planned and the degree to which the Habsburgs might share in its control. The questions of the ruler and of the inclusion of the Austrian province of Galicia were never definitely determined.

As the war progressed and the dependence of Austria-Hungary upon her ally became more marked, the negotiations between Germany and Austria indicated that in case of victory the former would obtain an economic overlordship over the Danubian monarchy which would lead to a German "Central Europe," which by its influence over Bulgaria and Turkey would extend its power into the Middle East. Bulgaria would be brought into territorial contact with Austria-Hungary, Serbia was to be partitioned, Rumania made dependent by weakening her defenses on the north. Apart from the difficulties experienced by German statesmen in preserving the *morale* of the Habsburg Monarchy, the suspicions of the Magyars and the jealousy of Bulgars and Turks rendered problematical the success of this programme.

The war aims of both the *Entente* Allies and of the Central Powers, as well as the entire course of military affairs, were vitally affected by two events: the entrance of the United States into the war and the Russian Revolution. At the very beginning of the European struggle, President Wilson made plain his desire to adhere to a policy of neutrality; he evidently regarded the war as a terrible but remote catastrophe. It was not long before the interest of the United States in its issues and outcome became obvious; President Wilson himself, in the spring of 1916, stated: "We are participants whether we would or not, in the life of the world. The interests of all nations are

our own also." But in the face of the greatest provocation the President was determined to keep the United States neutral, partly because he judged this to be his duty to his country, partly because of his conviction that America could better serve the world as mediator than as belligerent.

With Great Britain serious differences developed as a result of the British application of maritime regulations which interfered with American trade. The seizure of American mail and cargoes, and the placing of various American commercial firms upon a black-list by the British, evoked sharp notes of protest from Washington. The difference might have proved more serious, had it not been eclipsed by the diplomatic dispute between Germany and the United States, over Germany's use of the submarine. This dispute began with the sinking of the "Lusitania," May 7, 1915, and the drowning of more than 100 Americans. The protests which Mr. Wilson raised against this attack upon the lives and rights of American citizens and in behalf of humanity, resulted in most unsatisfactory replies from Germany; during the summer and autumn of 1915 Germany's illegal use of the submarine continued.

Little by little, however, it seemed that modification of the submarine warfare was being secured, although the demand of the United States for the formal disavowal of the attack upon the "Lusitania" remained unsatisfied. But on March 24, 1916, the passenger steamship "Sussex" was sunk by a submarine without warning, in defiance of German promises. Wilson threatened that unless Germany should agree to abandon its submarine methods, the United States would sever diplomatic relations. Germany yielded, and during the following ten months relations with the United States improved.

It was likely, however, that unless the war could be ended the demand for ruthless submarine warfare in Germany would be compelling, and the United States would be brought in. In December, 1916, the German Government and Mr. Wilson independently published notes suggesting the possibility of peace, the former expressing its willingness for a conference, the latter calling upon both groups of belligerents to state their terms.

AMERICA INTERVENES

In answer to Wilson's demand the *Entente* Powers, bound by their secret treaties, replied frankly with terms which would be acceptable only to a defeated Germany. The German reply was brief and evasive; it gave no terms and merely reiterated Germany's willingness to enter a conference. The German Government was, in truth, divided: the moderate element, represented in the United States by Ambassador von Bernstorff, negotiated actively for Wilson's mediation; the extremists, however, were determined upon a resumption of ruthless submarine warfare, which would bring the United States in upon the *Entente* side. In the middle of January, Von Bernstorff was informed of the decision to resume the submarine blockade, and on January 31 he gave formal notification of this decision to the United States Government. President Wilson, disappointed and disgusted, at once broke off diplomatic relations with Germany. He hoped that war might yet be avoided, but the sinking of American ships and the practical blockade of American ports that followed, left no loop-hole. On April 2 the President went before Congress to demand the declaration that a state of war existed, and on April 6 the declaration was voted.

The entrance of the United States into the war necessarily had an important effect upon *Entente* war aims. President Wilson had already sketched the principles of a settlement, which later were to be accepted by both groups of belligerents as the basis of peace, although it was not until January, 1918, that his proposals were crystallised in the Fourteen Points. This programme

was by no means in accord with the provisions of the secret *Entente* Treaties. The influence of the United States in the determination of war aims was bound to be great, for during the year 1917 it became clear that without active American assistance the Entente Powers could not hope to win the war. Financially, in particular, the *Entente* was dependent upon America.

This influence was enhanced by the defection of Russia. In March, 1917, the Tsar was overthrown and a Provisional Government, bourgeois in character, established. Broadly speaking, the cause of the revolution was war-weariness developing from the economic chaos of Russia and the failure of the Tsar's Government to secure a victorious peace. The hopes of the *Entente* that Russia would reaffirm her will to victory under the new Government were soon seen to be without basis. The demand of Russia was for peace, and this the Provisional Government, whether under bourgeois guidance or later under the social democrat, Kerensky, could not secure.

In November the Bolshevists, led by Lenin and Trotsky, secured control and immediately opened up negotiations with the Central Powers. They called for a peace without annexations or indemnities and invited the other *Entente* Powers to join with them. The latter refused even to reconsider and publish their war aims. The Bolshevists thereupon agreed to an armistice with the Central Powers, and at Brest-Litovsk, from December 22, 1917, to March 3, 1918, carried on peace negotiations. Taking advantage of the complete military disorganisation of Russia, the Germans laid down terms which practically provided for the disintegration of the Russian Empire. When in February the Bolshevists refused to accept these conditions, German armies were pushed eastwards to occupy Poland, Lithuania and the Baltic states. On February 24, 1918, Germany made a new and more drastic offer of terms, which the Bolshevists finally accepted: "Their knees are on our chest, and our position is hopeless," said Lenin. The Treaty of Brest-Litovsk was signed March 3, 1918, and practically reduced Russia to the mediæval Grand Duchy of Muscovy. Commercial stipulations put her at the mercy of German industry. Rumania, whose armies had been defeated and which was now isolated, signed a humiliating peace at Bucharest on March 7. German plans for the political control of the Baltic states, the economic exploitation of Russia, and the creation of a *Mittel-Europa* seemed close to success.

The separate peace made by Russia was preceded and followed by other efforts to arrange a general peace, some of which were public and others secret. The chances of success were in all cases slim. The *Entente*, despite significant symptoms of war-weariness, were heartened in 1917 by the entrance of the United States. In Germany, control had fallen to Ludendorff and the General Staff, who would not consider the concessions necessary to peace. Hence the proposal that was made by the Pope on August 1, 1917, which suggested in effect a stalemate, had no practical results except that it gave to President Wilson an opportunity to underline the fact that the world could not trust the German Imperial Government and that peace could not be made until the German people gave conclusive evidence of their desire for a just settlement. In January, 1918, during the course of the Brest-Litovsk negotiations, an opening seemed to be created by a conciliatory speech of Count Czernin, in which he accepted in a general fashion Wilson's conditions. But the German Chancellor, Hertling, controlled by Ludendorff, adopted a polemic tone, and an ill-considered statement of the Supreme War Council at Versailles, on February 4, 1918, closed the door.

In the meantime, secret negotiations had been in progress. Shortly after his accession the new Emperor of Austria-Hungary, Karl, through the medium of his brother-in-law, Prince Sixtus of Bourbon, suggested to France the

possibility of peace, based upon the return of Alsace-Lorraine to France. Conversations continued throughout the spring of 1917, and were seriously taken by both the French and British. The Emperor suggested that if Germany would not agree, he might make a separate peace. The negotiations broke down, however, partly because a separate peace with Austria, based upon the integrity of the Empire, implied the failure of Italian war aims and was inconsistent with *Entente* promises to Rumania; partly because Austria feared to make a definite break with Germany. Similar secret discussions followed, carried on for France by a Major Armand, for Austria by Count Revertera; they continued until the spring of 1918, but never approached success. From November, 1917, on, Clemenceau, Premier of France, repressed the rising tide of defeatism and stimulated the will to victory. Other attempts at secret negotiations, such as those through the King of Spain or the conversations of General Smuts and Count Mensdorff, met the same fate.

The year 1918 witnessed, however, an alteration in *Entente* war aims. The plans for the partition of the Turkish Empire were modified as a result of the Russian Revolution, for the Bolshevists renounced all claim to Constantinople. Regard for liberal and labour opinion led Lloyd George, on January 5, 1918, to formulate a programme based upon the principle of self-determination and the demand for some international organisation to limit the burden of armaments and diminish the probability of war. His declaration that the *Entente* was not fighting to destroy Austria-Hungary was nullified by the need of assistance from the revolting nationalities in the Habsburg Monarchy.

In the spring of 1918 the Supreme War Council approved the creation of a united Polish state and expressed sympathy with the national aspirations of the Czechs and Yugoslavs. During the summer, formal recognition of an independent Czechoslovakia was accorded by the Allied and Associated Powers. The aspirations of the Yugoslavs for union and independence, as expressed in the Pact of Corfu, in July, 1917, had naturally been opposed by Italy. But in April, 1918, during the Congress of Oppressed Nationalities at Rome, the Italian Government unofficially approved Yugoslav aims, and by the Torre-Trumbic agreement informally expressed its willingness to settle the Adriatic problem upon the national principle. The *Entente* thus stood committed to self-determination and the partition of Austria-Hungary.

WILSONIAN WAR AIMS

Of chief importance was the programme of President Wilson, formulated in his Fourteen Points. These were drafted in his speech of January 8, 1918, and developed in later addresses, notably of February 11, April 6, July 4 and September 27, 1918. Six of the Fourteen Points were general in character and of these the most important was the last, which called for "a general association of nations . . . formed under specific covenants for the purpose of affording mutual guarantees of political independence and territorial integrity to great and small states alike." The other general points demanded open diplomacy; the freedom of the seas; the removal, so far as possible, of all economic barriers; a reduction of armaments; the impartial adjustment of all colonial claims.

Eight special points indicated the main lines of a desirable territorial settlement according to the Wilsonian programme. They followed the principle of self-determination, insisting upon freedom of decision for nationalities whether in Poland, the Balkans, Turkey, or on the Italian frontier; conquered territories must be evacuated and restored; the sovereignty of Belgium must be unlimited; the "wrong done to France by Prussia in 1871 in the matter of Alsace-Lorraine should be righted." The Wilsonian programme did not



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Unique photograph of the "Big Four" in a moment of relaxation during the Peace Conference. Left to right: Mr. Lloyd George, Signor Orlando, M. Clemenceau and President Wilson.



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Five makers of post-war Europe. A photograph taken in London in December, 1918. Left to right: Marshal Foch, M. Clemenceau, Mr. Lloyd George, Signor Orlando and Baron Sonnino.

differ in its main lines very greatly from that outlined by Lloyd George. So far as the territorial settlement in Europe was concerned, comparatively slight changes in the *Entente* war aims would bring them into consonance with Wilson's plan. In the Near and Far East, however, the secret treaties clearly infringed the Wilsonian programme, which was in sum permeated by a liberal spirit wholly lacking in the schemes drafted by the *Entente* in their various treaties. Would the *Entente* Allies accept the war aims as drafted by President Wilson, implying certain sacrifices of their national interests? The answer is to be found in the conditions under which the armistice with Germany was concluded.

On October 5, 1918, the German Government sent a note to President Wilson requesting that he take in hand the restoration of peace and invite the belligerent states to send plenipotentiaries for the purpose of opening negotiations. The note accepted the programme of the Fourteen Points. This request followed two and a half months of almost uninterrupted reverses for German arms on the western front, the complete defeat of Turkey, and the defection of Bulgaria, which on September 30 had signed an armistice. The German General Staff, apparently in a panic, had warned the Government that it was doubtful how long the lines in France and Belgium could be held. Behind the lines the *morale* of the German people had approached the breaking-point.

Wilson, in his reply, was careful to make sure that the request for an armistice was not designed merely to provide a breathing space for defeated German armies; he asked, on October 8, whether immediate evacuation of invaded territory was contemplated, whether the acceptance of his principles was absolute, the purpose of discussion being merely the application of details, and whether the German Chancellor was merely speaking for the authorities who had so far conducted the war for Germany. To the first two questions an affirmative reply was given; to the third the Chancellor answered that he spoke in the name of the German people. The President, on October 12, made further provision against a cessation of arms which might not lead to a definite and satisfactory peace: the process of evacuation and the conditions of armistice must be left to the military, and must provide safeguards and guarantees of the existing military supremacy of the Allied and Associated Powers; the illegal and inhuman practices of the German forces must cease; the arbitrary power hitherto controlling the German nation must be destroyed. It was a demand for absolute surrender, modified only by the stipulation that the Wilsonian programme should form the basis of peace. On October 20 the Germans accepted, and three days later President Wilson agreed to transmit the request to the Allies.

In the meantime, the Austrian Government had made a similar request for an armistice based upon the Fourteen Points; Wilson replied that because of the recognition of the Czechs and the sympathy expressed with the nationalistic aims of the Yugoslavs, the provision of " autonomy " for those peoples no longer held good; they and not he must be the judges of what action on the part of Austria-Hungary would satisfy their aspirations. This reply virtually loosed the bonds that held the Habsburg Empire. On October 27 the Austrian Government hastened to accept all conditions. But in the meantime, revolutionary forces in the empire were at work, so that within a few weeks it was dissolved into its component national elements.

The enemy thus sued for peace, but on the basis of the Wilsonian programme. Would the *Entente* Allies accept that programme? The question was to be decided at the meetings of the Supreme War Council held at Versailles from October 31 to November 5; and these were attended by Colonel House as the representative of President Wilson. The conditions of the

armistice were determined largely by the military and naval advisers, although the heads of governments made the final decision. With few exceptions all were in favor of granting an armistice. Field-Marshal Haig advocated most liberal terms, so highly impressed was he by the strength of the German military resistance. Marshal Foch, on the other hand, drafted stringent conditions which would strip the Germans of any power to recommence fighting, and his terms were finally approved. The British naval experts laid down the demand for the absolute surrender of the German fleet; this was opposed by Foch as likely to lead Germany to refuse the armistice. Lloyd George therefore agreed to modify the demand, so as to provide merely for the internment of the major portion of the fleet. Thus it happened that the Germans, left in control of their interned ships, were able later to sink them at Scapa Flow and prevent them from falling into the hands of the Allies.

The vital importance of these discussions, however, lay in the fact that they determined the basis upon which the ultimate peace should be made. Mr. Balfour pointed out that if the Allied Powers agreed without reservation to the German request for an armistice, they would implicitly accept President Wilson's Fourteen Points. To this Colonel House naturally agreed. At once Clemenceau and the Italian representatives insisted upon a discussion of the Fourteen Points, which they feared might hamper their freedom of action in arranging the final settlement. Now that the enemy was clearly defeated it was easy to forget the promises of a just peace, made in the hour of extremity, and to remember the stipulations of the secret treaties.

Long discussion followed, in which French, British, and Italians protested against those of the Wilsonian principles that affected their own claims. The programme of the President was ably upheld by Colonel House, who used persuasion and threats in turn: if the Allied Powers would not accept the Fourteen Points it might be necessary for Wilson to go before Congress, state that Germany accepted the American terms but that the Allies refused, and ask whether the United States should continue the war for the special war aims of the *Entente*. The French, British, and Italians yielded, asking for two reservations only. The first of these stated that the term "freedom of the seas" was open to various interpretations, some of which might not be acceptable; it provided for later discussion, which as a matter of fact was never held. The second reservation defined the President's reference to restoration of invaded territories as meaning that "compensation will be made by Germany for all damage done to the civilian population of the Allies and their property by the aggression of Germany by land, by sea, and from the air." The reservations were accepted by President Wilson and included in his final note of November 5 to Germany, in which he stated that Marshal Foch would communicate the conditions of an armistice.

This so-called pre-armistice agreement formed the basis of the peace, as was acknowledged by both the Allied Powers and Germany. The former stated on June 16, 1919, "The Allied and Associated Powers are in complete accord with the German Delegation in their insistence that the basis for the negotiation of the Treaty of Peace is to be found in the correspondence which immediately preceded the signing of the Armistice on November 11, 1918. It was there agreed that the Treaty of Peace should be based upon the Fourteen Points of President Wilson's address of January 8, 1918, as they were modified by the Allied Memorandum included in the President's Note of November 5, 1918, and upon the principles of settlement enunciated by President Wilson in his later addresses, and particularly in his address of September 27, 1918."

Germany thus surrendered, not upon the terms of the Armistice itself, but on conditions which the Allied Powers were bound, like Germany, to observe in the making of peace. Before the war was ended both sides had pledged themselves to certain principles, and criticism of the final settlement must be based upon the degree to which these principles were later applied or disregarded.

It would certainly have been far better for all concerned if a preliminary peace had been arranged immediately after the signing of the Armistice of November 11. The military and naval clauses might have been based upon the Armistice itself, and the essential political clauses upon the details of the pre-Armistice discussions. Such a preliminary peace would have enabled the Governments to meet the rising tide of social and economic disorder, while the final treaties could have been completed at leisure. But various delays intervened. President Wilson was determined to be present at the Peace Conference and could not leave the United States until December 4; the chiefs of government in France, Italy, and Great Britain found their attention taken by domestic politics.

ORGANISATION OF THE PEACE CONFERENCE

Thus the Conference did not formally convene until January 18, 1919. By that time much of the spirit of solidarity created by the war among the Allied Powers had evaporated, and selfish national aspirations had been given an opportunity to develop. Economic distress and social discontent had increased to a point where these problems seemed of greater importance than the treaties. The settlement was thus to be consummated under highly unfavourable conditions. The Peace Conference itself was not well organised for the settlement of such diverse and complex questions, nor did the dominating statesmen possess the executive qualities necessary for the crisis. Clemenceau and Lloyd George had won the war through their inspiration; Wilson had blazoned the path of peace. No one of them was an organiser.

The Conference worked inevitably on a committee system, and, in view of the difficulties of the situation, expeditiously It convened in plenary session on only five occasions. Authority was taken by the Supreme Council, which met for a time as a Council of Ten (two delegates each for the five principal Powers — Great Britain, the United States, France, Italy, Japan), and then as a Council of Four, an informal committee composed of Clemenceau, Lloyd George, Wilson and Orlando. The Council of Four delegated certain functions to a council of the five Foreign Ministers of the principal Powers, but retained all important decisions for itself. With the exception of certain vital and contentious points reserved for the chiefs of government, the treaties were drafted by expert technical committees, of which a large number were created. Their recommendations as to frontiers and the political and economic stipulations which they laid down were generally accepted without change by the Supreme Council; they were translated into "treaty language" by a committee, and became the actual material of the treaties.

The Peace Conference was marked, naturally, by frequent differences of opinion which were probably no greater nor less than had been anticipated. Unanimity must be secured among a large number of states which, although bound together in the war by hostility to the Central Powers, possessed, nevertheless, divergent basic interests. The claims of the newly liberated nationalities were excessive and conflicting; and at bottom there was always the cleavage between the aspirations of the European Foreign Offices, characterised by traditional national selfishness, and the liberal spirit voiced by Wilson, who called for sacrifice in order to reach a peace of reconciliation.

The most important item in the Wilsonian programme was the immediate creation of a League of Nations; this it was, he believed, which would make this peace different from and better than earlier settlements. While all had accepted with greater or less enthusiasm the principle of a League, the European statesmen were inclined to emphasise first the territorial and financial settlement which should mark their victory. President Wilson succeeded in having the League put at the head of subjects for discussion, and on January 25, at the second Plenary Session, its principle was approved without a dissentient voice. During the following three weeks a special committee, including the President, Colonel House, Lord Robert Cecil, General Smuts, Venizelos, Léon Bourgeois, elaborated the charter or Covenant of the League, which on February 14 was accepted by the Plenary Conference. Wilson left for America, doubtless feeling that the major purpose of his mission to Europe had been achieved.

Thereafter the attention of the Conference was directed to the territorial and economic claims of the victorious Allies. The most important and difficult question was the amount of indemnity or reparations that Germany should pay. The French and most of the other European statesmen argued that Germany was obligated to pay the entire costs of the war — reparations for indirect as well as direct damage. This contention they attempted to base upon the Armistice, in which there appeared a protective phrase reserving future claims of the Allied Powers. The Americans argued that the Allies and Germany were bound by the pre-armistice agreement, in which Germany was obligated for "all damage done to the civilian population of the Allies and their property by the aggression of Germany. . . ." This, they argued, implied merely direct damage and could not be stretched to include indirect war costs. The dispute was finally settled so as to exclude indirect war costs but to include pensions. Even so, the amount that might be demanded from Germany seemed to exceed her capacity for payment and no agreement could be reached between the Americans, British, and French as to the sum of reparations which should be inserted in the treaty. Both Lloyd George and Clemenceau feared the political effects of inserting a sum far below the expectations which they themselves had aroused among their constituents. After long discussion, it was decided not to specify a definite sum to be paid by Germany, but simply to list the categories of damages for which Germany was responsible. A Reparations Commission was to be created, which by May 1, 1921, should determine the extent of Germany's capacity to pay. Germany was required to acknowledge full liability in the treaty.

French territorial demands created another problem of almost equal difficulty. The claim of France for the re-annexation of Alsace-Lorraine was fully recognised. But Clemenceau also asked for the Saar valley and for the separation of the left bank of the Rhine from Germany. These claims had been accepted by the Russian Imperial Government at the beginning of 1917, but had never been recognised by the British. The demand for the Saar was based partly upon the fact that much of this district had been taken from France in 1815 and also upon the close economic connection between the iron districts of Lorraine and the coal regions of the Saar. President Wilson stoutly opposed any idea of annexation. It was finally decided that the coal mines should be given to France, but the region itself should be governed by a commission under the League for 15 years, at the end of which time a plebiscite should decide ultimate sovereignty. If the plebiscite decided in favor of Germany, that state should have the right to buy back the coal mines which were regarded as reparations for the damage done to the French mines in the region of Lens and Valenciennes. The demand of France for the separation of the left bank of the Rhine was based upon the

need of giving adequate strategic protection to France. It was strongly urged by Marshal Foch. To this demand both British and Americans offered vigorous opposition. The decision finally taken was that there should be Allied occupation for a period of 15 years, and that Great Britain, the United States, and France would sign an agreement by which the two first-named would come to the assistance of the third in case of an unprovoked aggression by Germany. This would give a chance to discover the intentions of Germany and to determine the capacity of the League to protect France.

At the moment when these decisions were taking form, in April, the Italians vigorously advanced their claims, based upon the Treaty of London, and they even went beyond that Treaty in demanding the town of Fiume which they had agreed should go to the Slavs. President Wilson raised no serious objections to their acquisition of the southern Tyrol as far north as the Brenner Pass, but he stoutly opposed the annexation of Fiume and the northern districts of Dalmatia which had been promised Italy in the Treaty of London. Had the Italians rested upon the Treaty and surrendered their claim to Fiume the President's position would have been difficult, for the French and British felt compelled to honour the promises they had made in 1915. But they joined Wilson in opposing the Italian demand for Fiume, although they left it to the President to carry the burden of the dispute. The Italians threatened that if their claims were not granted they would be compelled to leave the Conference. Wilson replied by publishing a manifesto, on April 23, in which he set forth the American position and appealed directly to the Italian people to join with the United States in the application of liberal principles even at the sacrifice of their own immediate interests.

Orlando and Sonnino thereupon left for Rome, where they were enthusiastically received and encouraged to persist in their territorial demands. But at Paris the Conference decided to go on with the German Treaty regardless; on May 5 the Italian delegates left Rome and returned in time to take part in the final discussion of the Treaty with Germany. Negotiations over Italian claims in the Adriatic continued between Italy and the other Powers. In the autumn of 1920 a separate treaty was signed by the Yugoslavs and Italians at Rapallo, which left Fiume independent, gave Dalmatia (except Zara) to Yugoslavia, and the rest of the contested area to Italy. This solution proved satisfactory to none of the interested parties.

During the crisis caused by Italian claims the Japanese put forward their demand for the reversion of German rights in Shantung and for the German colonies north of the equator. Their position was strong, for they had the promises of British and French support. Wilson, who was inclined to oppose their demand, feared that if the Japanese left Paris as the Italians had done and as they threatened, the Conference would break up. He therefore yielded perforce, exacting from the Japanese, however, the promise that they would later enter into negotiations with China for the return of Shantung, a promise which three years later was to be fulfilled.

THE PEACE TREATIES

On May 7, 1919, the Treaty being completed, the German delegates appeared at Versailles to receive it. Nearly eight weeks of uncertainty followed, taken up with the study of German protests and the insertion of certain minor alterations, of which the most important was the decision that a plebiscite should be held to determine the sovereignty over Upper Silesia. Early in June the British demanded extensive concessions to the Germans, in order

that the acquiescence of the enemy might be secured. Wilson joined with the French in opposing eleventh-hour changes on this score, and on June 20 the German acceptance of the peace terms was announced. Eight days later, on the fifth anniversary of the assassination of the Archduke Franz Ferdinand, the Treaty was signed in the Hall of Mirrors at Versailles.

The Treaty of Versailles with Germany had as its first article the Covenant of the League of Nations. Apart from the stipulations mentioned above, Germany agreed to surrender to Belgium small districts about Eupen and Malmédy, and to Denmark the region in Schleswig where a plebiscite might indicate the desire of the inhabitants to return to Danish sovereignty. The Polish districts in West Prussia and Posen were given to the newly created Poland, which thus secured a corridor to the sea; the German city of Danzig was to be a free port under the League. East Prussia was thus cut off from Germany territorially, but plebiscites in Allenstein and Marienwerder, which resulted in favor of the Germans, left its area undiminished. Germany surrendered her overseas possessions which were partitioned between Great Britain, the British Dominions, France and Japan. In most cases the Powers received the German colonies not in absolute ownership but as mandatories of the League, to which they were responsible for their administration.

The bulk of the German mercantile fleet was surrendered as part of her reparations account, and her fleet was reduced to six battleships, six light cruisers, and twelve torpedo boats. No submarines were allowed. The German army was to be reduced to 100,000 men, including officers, and universal military service and training was to be abolished. The accumulation of arms, munitions and equipment beyond the needs of this small army was forbidden, and the manufacture of war material of any kind except as specified in the Treaty was prohibited. All fortifications 50 kilometres east of the Rhine were to be razed. Finally the Treaty states that "the armed forces of Germany must not include any military or naval air forces."

The settlement in south-eastern Europe and in the Near East was determined by the Treaties of St. Germain, Trianon, Neuilly and Sèvres, which were signed with Austria, Hungary, Bulgaria and Turkey respectively. The dissolution of the Habsburg Empire had been practically accomplished by the time the Peace Conference convened. The separate nationalities had already begun their independent organisation, and the Conference did little more than confirm the division of territory and settle the details of frontiers.

Poland received Galicia. Bohemia, Moravia, part of Silesia, and the Slovak districts of northern Hungary were formed into Czechoslovakia. Rumania secured Bessarabia, Transylvania, Bukowina, and a large part of the Banat and Transylvanian forelands, although less than had been promised by the secret Treaty of Bucharest. Serbia joined with the south Slav regions of southern Hungary (the western Banat, Baranya, Backa), Croatia-Slavonia, the Austrian provinces of Dalmatia, Carniola, and southern Styria, Bosnia-Herzegovina, and Montenegro, to form the Kingdom of the Serbs, Croats and Slovenes. This kingdom, known as Yugoslavia, acquired also strategic points from Bulgaria. By the Treaty of Rapallo (November 12, 1920) it surrendered to Italy its claims in Istria and to certain islands in the Adriatic, but arranged that Fiume should become a free state. The settlement in the Danubian and Balkan regions was roughly according to national lines, although inevitably in certain details, especially in Albania and on the new Italian frontier, nationalistic principles were disregarded. Austria and Hungary, reduced each to rather less than the national core, became independent republics.

The secret treaties affected the European settlements less than has some-

times been asserted: neither Italy nor Rumania received as much as had been promised them. In the attempted partition of the Turkish Empire, however, the plans of 1916 and 1917 were closely followed. The Treaty of Sèvres, signed with Turkey on August 10, 1920, reduced Turkey in Europe approximately to the Tchatalja lines, and in Asia deprived Turkey of the territory partitioned by the French and British in the Sykes-Picot Agreement, including Syria and Mesopotamia. There was to be an independent Armenia, the zone of the Straits was to be internationalised, and Smyrna with a hinterland was to be administered by Greece, although final renunciation of Turkish sovereignty was not demanded. The independence of Syria and Mesopotamia was recognised, but they were placed temporarily under French and British mandates respectively. Palestine, designated as a national home for the Jews, was put under a British mandate. The Hedjaz was made independent, freedom to the Holy Places in Mecca and Medina being guaranteed to all Moslems.

By a Tripartite Agreement signed on the same date as the Treaty of Sèvres, Great Britain, France and Italy arranged for zones of special interests for the two latter, with boundaries closely approximating to the spheres delimited in the Sykes-Picot and St. Jean de Maurienne Agreements except for the area around Smyrna and a small region further to the north which was included in the zone of the Straits.

These dispositions, arrived at with the greatest difficulty, were destined to speedy and extensive alterations as a result of the Turkish nationalist movement led by Mustapha Kemal Pasha.

CHAPTER VII

HOW THE WAR WAS FOUGHT AND WON

From the Outbreak of the War to the Battle of Verdun

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The strategy of the World War was in its main lines simple. The principles of strategy are simple; the difficulty lies in applying them correctly when information is incomplete and when an almost infinite number of complications affect the result of battles, the winning of which in the most decisive fashion possible is the object of strategy. In August, 1914, and throughout the war Germany and Austria occupied a central position in relation to their enemies. They were in fact generally called the Central Powers. Inferior even at the outset in numbers, their object was to crush their opponents in succession by massing troops for a heavy blow against some portion of the opposing fronts while holding the remaining portions defensively with comparatively weak forces. Germany entered the war with a military organisation and equipment superior to those of any other Power, and this together with a very complete network of railways and their central position gave the Central Powers facilities for concentrating force quickly greater than their opponents possessed. On the other side the *Entente*, or Allied, Powers, thanks mainly to the naval superiority of Great Britain, had control of the seas, a control threatened at times, but never destroyed by the German submarines. This gave them liberty to develop their greater resources and to place those resources where they would, a liberty curtailed only by the fact that the entry of Turkey into the war on the side of the Central Powers interrupted direct communications by sea between the *Entente* Powers of the West and Russia. The problem before the Central Powers was then to choose when and where to break outwards through the circle of their enemies, while defending on the remainder of the circle such territory as they could not afford to lose, and the problem before the *Entente* Powers was to choose when and where to break inwards while protecting those places vital to their existence.

WHY THE GERMANS INVADED BELGIUM

Long before the war came Germany had made her plans to meet the eventuality of war against France and Russia. France, her most serious enemy, she knew would be ready before the slow-moving masses of the Russian army, hampered by inferior railway communications, could be

brought into the field. She had therefore decided to concentrate the largest possible number of troops against the French in the first instance, while holding off the Russians with the help of Austria with a minimum of force. For this plan to succeed it was necessary to crush the French army quickly, before the Russians could march across East Prussia towards Berlin. The line of fortresses, which from Verdun to Belfort protected the eastern frontier of France, might well prevent a swift and decisive movement into the heart of the country. Germany therefore decided to march round this line of fortresses through Belgium, with the right wing of her armies of the west, and so come down on Paris from the north-east. This movement was to be combined, if opportunity offered, with an attack by the armies of the left wing through Lorraine, and if both attacks succeeded it was hoped that a modern Cannae on a vast scale would be the result. From a purely military point of view the German plan was as good as could be devised. It was very nearly completely successful, and even its failure left Germany for years in a dominating position on the western front; but in framing this plan, and in framing many other plans throughout the war, the German strategists left moral considerations out of account. The invasion of Belgium, the neutrality of which had been guaranteed by Germany amongst other Powers, was a crime, which at once brought Great Britain into the war against her and produced throughout the world a feeling of repulsion against German methods, the military importance of which the experts, examining the problem from the narrow purview of the office of the Great General Staff in Berlin, had entirely overlooked. This neglect of the moral factor, or in other words of the value of a good cause, eventually united against Germany more enemies than have ever before confronted a Great Power, and on this ground the German plan must even from the purely military standpoint be condemned.

NUMERICAL SUPERIORITY OF THE ALLIES

None the less, the plan at first produced great results. In measuring the strength of the opposing forces at the beginning of the war it is convenient to take the division as a unit of comparison, the variations in strength of divisions in the different armies not being considerable. France had available 47 regular and 27 reserve divisions and 10 cavalry divisions. Russia 70 regular divisions, 36 reserve divisions, and 24 divisions of cavalry; Belgium had six divisions and one cavalry division; Great Britain had ready an Expeditionary Force of six divisions and one cavalry division; and Serbia 12 divisions and a cavalry division — making a total for the *Entente* Powers of 141 regular, 61 reserve, and 37 cavalry divisions. Against these Germany had 50 regular divisions, 32½ reserve divisions, and 11 cavalry divisions; and Austria-Hungary 32 regular, 16 reserve, and 11 cavalry divisions, or for the Central Powers together 82 regular, 48½ reserve divisions, and 22 cavalry divisions.

Thus from the first the *Entente* Powers had an enormous superiority of force, but their armies were widely scattered. The Russian strength could be brought but slowly to the frontiers of Germany and Austria, the small Belgian and Serbian armies were isolated, and no plans for concerted action with them had been made. The little British army had to be brought across the Channel to France, and three of the French regular divisions had to come from North Africa. Taking these factors into consideration, the German leaders believed that they would be able to overwhelm the French army before their opponents could work together, and with that object they concentrated almost the whole of their forces on the western front, bringing 73½

divisions and 10 cavalry divisions against France and Belgium, and leaving only nine divisions and one cavalry division on the eastern front to oppose the northern Russian armies, while Austria was left to face the southern Russian armies and Serbia.

GERMAN SUPERIORITY AT THE DECISIVE POINT

Of the 73½ German divisions no less than 52, divided into five armies, were allotted for a great wheel through Belgium, and of these 52 divisions 32, comprising the armies of Von Kluck, Von Bülow, and Von Hausen, formed the right German wing and were to sweep aside the little Belgian army and fall upon the 15 divisions of the British Expeditionary Force and of the 1st French army which made up the left wing of Joffre's command. So despite the general numerical inferiority of the Central Powers the Germans achieved the feat of having in that portion of the vast theatre of war, in which they had elected to make their decisive effort, a superiority of more than two to one. Thus arose the idea which long endured that the Germans had at the outset an immense superiority in numbers.

But if this superiority did not in fact exist, how came it about that the Germans were able to overrun Belgium, approach the gates of Paris, and establish themselves so firmly in north-eastern France that it required four years of effort on the part of the *Entente* Powers, and the reinforcement of a new ally, the American army, to drive them out?

FRENCH MISCALCULATION

The answer is that the original French plan of campaign was based upon a grave miscalculation. The French reserve divisions were in efficiency and equipment far below their regular divisions, and it was assumed in France that few if any of the German reserve divisions would be able to take their places at the beginning of the war in line with their regular comrades. In fact, almost all the German reserve divisions took their places in the front line. Thus the German strength on the western front was far larger than the French had supposed it would be. Further, for some years before the war the French military leaders had devoted themselves to the encouragement of the spirit of attack in the army. This had been carried to an excess, and in particular the value of entrenchments in modern war had not been appreciated, while the provision of heavy artillery had been neglected as being likely to hamper mobility and diminish the *élan* of the attack, and the use of machine-guns had not been as carefully considered as it had been in the German army.

The French plan of campaign provided for an immediate offensive on either side of the fortress of Metz directed eastward by the whole of the French forces. The French infantry, dashing forward with great gallantry in attacks which had been insufficiently prepared by artillery, was mowed down by the German machine-guns, and to some extent demoralised by the unexpected effect of the high-explosive shell of the German howitzers. The result of the first battles of the war on the western front may then be ascribed to the facts: firstly that the French plan was prepared on wrong data and the Germans were found to be strong where they were expected to be weak, and secondly that the tactical training, equipment and methods of the French troops were not as good as those of the Germans.

THE GERMAN TROOPS MOVE — LUDENDORFF'S FIRST SUCCESS

On July 31, 1914, both Russia and Austria ordered a general mobilisation of their forces. The next day Germany followed suit and declared war on Russia. France and Belgium immediately ordered mobilisation. The World War had begun. On August 2 German troops invaded Luxemburg and seized the railways, a long-prepared preliminary to the concentration of their armies in the west. The same day Germany sent an ultimatum to Belgium demanding free passage for her troops through that country, a demand which Belgium at once proudly rejected. On August 4, German troops crossed the Belgian frontier and began an attack on the Belgian fortress of Liége, and Great Britain declared war on Germany. On the night of August 5–6, German troops in five columns under the command of General von Emmich attempted to carry Liége by a *coup-de-main*. Four of the five attacking columns were repulsed, but the fifth, largely owing to the skill and courage of Major-General Ludendorff, succeeded in entering the town. The forts still held out and could not be reduced until the Germans had brought up heavy howitzers, the effect of which was decisive. The last fort fell on the morning of August 16, the Belgian commander, General Leman, being found unconscious among the ruins. His gallant stand had gained four invaluable days for Belgium's Allies, for the roads through Liége were indispensable to the German plan, and till they were clear the great wheel through Belgium could not be begun.

Meanwhile the little Belgian army had taken its stand behind the river Gette, about midway between Liége and Antwerp, and had repulsed the attacks of the German advanced troops, but with the road through Liége open the German avalanche began to pour through Belgium carrying terror with it, and on August 18 the Belgian army fell back on the fortress of Antwerp.

THE FRENCH ATTEMPT AN UNSUCCESSFUL OFFENSIVE

On the other flank of the long line the French offensive began on August 6 with an abortive incursion into Alsace. Mulhausen was reached, but the French troops had then to withdraw before superior forces. On August 18 the 1st and 2nd French armies invaded Alsace-Lorraine in force. By then it was known at French headquarters that the Germans were moving in strength through Belgium, but it was not realised that very large forces had crossed the Meuse. The French plans were still vitiated by the false estimates which had been made of the German strength. A German movement through Belgium had long been anticipated in France, but it was assumed that if the Germans were strong on their right in Belgium, and sufficiently powerful on their left in Alsace-Lorraine to resist the strong attack of the 1st and 2nd French armies, they must be weak in their centre. The French Commander-in-Chief, General Joffre, therefore still adhered to his plan of a general offensive. He moved his 5th army under General Lanrezac up into Belgium, in the angle between the Meuse and the Sambre, where it, with the British army on its left, was to be ready to oppose the Germans coming down from Liége, directed his 1st and 2nd armies to press their attacks in Alsace and Lorraine, and ordered forward his 3rd and 4th armies for a drive through the Ardennes against the German centre, through which he hoped to break. The French were soon enlightened as to the real strength of the Germans. On August 20 the 2nd French army under de Castelnau came up against the Germans under Prince Rupprecht in strong defensive positions, and in the battles of Sarrebourg and Morhange met with a serious reverse. Its retreat carried back

with it to the French frontier the 1st French army under Dubail. The same day the Germans occupied Brussels and began to bombard the Belgian fortress of Namur.

On August 21 the 2nd German army under Von Bülow opened an attack on the 5th French army on the Sambre, and on the 22nd the British army of four divisions and one cavalry division reached the neighbourhood of Mons, where its commander, Sir John French, agreed to fight on the information given him by the French that he was not likely to be opposed by more than four German divisions and one or two cavalry divisions. August 23 saw the climax of the "Battles of the Frontiers," for on that day the 3rd and 4th French armies under Generals Ruffey and de Langle de Cary, advancing into the Ardennes, came up against the German 5th and 4th armies under the German Crown Prince and the Duke of Württemberg. These armies of the German centre so far from being weak were slightly superior in strength to the two French armies, and what Joffre had intended to be his chief *coup* failed.

But on the French left worse was to come, for Von Bülow with the 2nd German army defeated Lanrezac's 5th army in the battle of Charleroi, and while that battle was raging Lanrezac found that the Germans had entered Namur and that his right flank and rear were threatened by the advance to the Meuse, above Namur, of the 3rd German army under Von Hausen, while late on the 23rd Sir John French learned, after his troops had been beating off the German attacks with a great measure of success, at Mons, that he had in front of him not three or four German divisions but the whole of Von Kluck's 1st German army, of which six divisions had engaged his troops, while four more divisions and three cavalry divisions were coming up. The Germans had therefore succeeded in enveloping the Allied left wing with greatly superior force, and an immediate retreat to escape from the net was the only possible course.

Immediately on the collapse of the initial French plan Joffre proceeded to create a new one. His right, the 1st and 2nd armies, was directed to hold positions covering Belfort and Nancy on the frontiers of Alsace and Lorraine. His centre and left were, pivoting on the fortress of Verdun, swung back so as to free his left from the German envelopment, and to help to that end he created on his extreme left a new army, the 6th, under Maunoury, by withdrawing troops from other parts of his front. He intended on the first opportunity to begin a new offensive with the three armies on his left, the 5th, the British, and 6th, and hoped to be able to do so from the line of the Somme. The German pursuit was however too rapid. On August 26 Von Kluck caught up the 2nd British Corps and it was forced to stand and fight at Le Cateau, whence it made good its retreat, after materially delaying Von Kluck's pursuit.

None the less the Germans reached the Somme before the new 6th army was ready, and the retreat had to be continued. In default of the general offensive which he had hoped to deliver, Joffre directed his 5th army to turn about and attack in order to relieve the hard-pressed British, who being on the extreme left were in the position of the greatest danger. This it did on August 29 in the battle of Guise, where it severely handled the 2nd German army. Nor was this the only check to the triumphant progress of the Germans, for on August 25 Dubail's 1st army obtained, at the Gap of Charmes, a success over the Germans issuing from Lorraine. Still, the general feeling in the German army was one of exultation; it was believed that the decisive battle had been won, and that it remained only to exploit the victory — a complete misreading of the situation, which proved to be the undoing of Germany.

VON MOLTKE A FAILURE — RUSSIAN AID

The German Chief of the General Staff, Von Moltke, the bearer of a great name, but a man of no outstanding ability, and in weak health, lost control of the situation. In order to assist their hard-pressed Allies on the west the Russians had sent forward two armies into East Prussia before their concentration was completed. On August 20 at Grubinnen, and on the 23rd at Frankenau, the comparatively small force of Germans was pressed back and alarm spread through eastern Germany. Refugees from East Prussia flocked into Berlin, and the capital was seriously perturbed. Great pressure was brought to bear on German Headquarters to relieve the situation on the eastern front, and in a moment of weakness Von Moltke yielded to that pressure. He sent off General Ludendorff, who was serving on Von Bülow's staff, to Von Hindenburg, who was given the command in the east, and so started the famous combination which was to last almost till the end of the war, and he took two army corps (four divisions) from his right wing, which was his chief means of gaining a decisive victory in the west, and sent them with a cavalry division to East Prussia.

Ere these arrived Von Hindenburg had in the battle of Tannenberg, on August 29, all but annihilated the 2nd Russian army, and all danger in East Prussia was, for the time, over. Had these four divisions been present at the battle of the Marne the history of the war might have taken a very different course. Von Moltke whose headquarters were in Luxemburg, far removed from his vital right wing, was rarely in touch with his armies. His orders were late in arriving, and when they did arrive events had usually moved beyond them. So Von Kluck and Von Bülow, the commanders of the German armies on the right, took to devising their own plans.

VON KLUCK'S WHEEL TO THE LEFT

On August 30 in response to an appeal from Von Bülow, Von Kluck began to wheel inwards from the neighbourhood of Amiens against the left flank of the French 5th army, hoping to cut it off from the Marne. In making this movement he neglected the British army, which he believed he had defeated decisively, and Maunoury's 6th army, the strength of which was continuously growing as the reinforcements sent by Joffre arrived. On August 30, too, Von Moltke still under the impression that it remained only to reap the fruits of victory in the west, directed Prince Rupprecht in Lorraine to attack de Castelnau, and break through to Nancy, hoping that he would thus envelope the right of the French line, as he had done the left. On August 31 began the battle of the Grand Couronné in front of Nancy, which ended on September 6 in a heavy repulse for the Germans. On the other flank Von Kluck's cavalry patrols penetrated to within a few miles of the gates of Paris, the defences of which had been reached by Maunoury's 6th army, and the French Government was transferred to Bordeaux; but Von Kluck's main bodies leaving Paris on the right, were marching towards Château-Thierry on the Marne, seeking the flank of the French 5th army. On September 1 Von Kluck's progress was delayed by the rearguards of the British army, which since the battle of Le Cateau he had neglected; on the 2nd he made a clumsy attempt to bring that army again to battle, an attempt easily evaded. But that day Joffre, finding that the retreat of his 5th army was seriously menaced owing to the stand which it had made at Guise, decided to swing back his left as far as the Seine, south

of Paris, in order to disengage that army, and was prepared even to abandon temporarily the French capital, rather than diminish the weight of the counter-offensive which he had planned. On September 3 Galliéni, the Governor of Paris, discovered that Von Kluck was marching past the Paris defences and had exposed his right flank to Maunoury's 6th army, which had come under Galliéni's direction.

BATTLE OF THE MARNE

Galliéni at once proposed that the 6th army in combination with the British army should attack Von Kluck's flank. Joffre looking to an attack on a greater scale was not prepared to agree until he knew that his 5th army would be free to take its part. Late on September 4 the French Commander-in-Chief, finding that the 5th army was sufficiently disengaged and that Von Kluck had crossed the Marne with all his army except one reserve corps, and was deeply committed, issued orders for a general offensive to begin on the 6th. By then Von Kluck had awoken to his danger, and had discovered that Maunoury's army, of the strength and movements of which the Germans were strangely ignorant, was a serious danger to his flank and rear. He at once proceeded to counter-march his infantry from in front of the British back across the Marne, and to attack Maunoury as it arrived, leaving a force composed mainly of cavalry to fill the gap. September 8 was the critical day of the battle of the Marne. On the Ourcq Maunoury's men, fighting like tigers, had forced Von Kluck to bring more and more troops back across the Marne, thus widening the gap between his army and that of Von Bülow. But Maunoury, as Von Kluck's strength against him increased, was very hard pressed, and his northern flank in grave danger of envelopment, when help began to arrive; for on the evening of the 8th the British army, after forcing back the troops left to delay them, were within a short distance of the Marne bridges, west of Château-Thierry, while on their right the French 5th army, now commanded by Franchet d'Esperey, had at Montmirail inflicted a severe defeat on Von Bülow's right.

Still further to the right of the French line, about the marshes of St. Gond and Fère Champenoise, a new 9th French army, which had been created by Joffre a few days before mainly from the left wing of his 4th army, and placed under the command of General Foch, had been fighting desperately against the determined effort of the left of Von Bülow's army, and of the 3rd German army under Von Hausen, to break the French centre. Here the resolute determination of Foch to refuse to admit defeat kept the centre together, while the gap between Von Kluck and Von Bülow was forced further west. Already it had become obvious to Von Moltke at Luxemburg that the great envelopment of the French armies, for which a few days before he had hoped, was out of the question. Prince Rupprecht's attempt to break through at Nancy had failed, and he was out of touch with the armies on his right, which appeared to be in danger. In these circumstances he sent one of his staff, Lt.-Col. Hentsch, to his right with powers to coördinate the retreat of the German armies, there, if retreat should be necessary. Hentsch reached Von Bülow early on the 9th, at the moment when the news arrived that the British army was crossing the Marne in the gap between the 1st and 2nd German armies. This news caused Von Bülow to decide that he must retreat to save his flank, and Hentsch went off to direct Von Kluck to fall back also, the retreat of these two armies carrying back the whole German line as far as Verdun.

WHY THE ALLIES WON AT THE MARNE

Thus the long-planned scheme of German conquest in the west collapsed. It collapsed, partly because the Germans had overrated the extent of their early victories and had not realised that the Allied retreat was a manœuvre deliberately planned and directed by Joffre, and not a flight from stricken fields; partly because, under the impression that everything in the west was going better than had been anticipated, Von Moltke had withdrawn troops from his vital right wing to stem the Russian advance; partly because the Germans had not believed that the British army could be so quickly placed in the field in France (both Von Moltke and Von Kluck were in complete ignorance of its presence at Mons until battle there was joined, and that army just turned the balance), but chiefly because Von Moltke was not up to his task, was badly served with information, and was unable to direct effectively the movements of his armies. He allowed himself to be tied to his distant headquarters at Luxemburg, in marked contrast to the activity of Joffre who was constantly visiting his armies, encouraging the despondent, dismissing the incompetent, and with rare foresight and courage building up and forcing through in circumstances of almost unparallelled difficulty a new plan when the initial French scheme of operations had broken down.

SEVERE AUSTRIAN DEFEATS

The first weeks of September, 1914, brought new hope to the Allies after the gloom of August. An Austrian army invading Serbia had on August 19 been decisively defeated by the Serbians in the battle of the Jadar, and the Austrians had been driven back out of the country. Austrian arms were faring badly, for after an initial success on August 25 at Krasnik in Poland the Austrians had, on September 2, been heavily defeated in the battle of Lemberg and that important fortress had fallen to the Russians. On September 12 the Austrians were again defeated in the battle of Grodek, and on September 15 a second invasion of Serbia was crushed, in the battle of the Drina, while the Russians captured Czernovitz in the Bukovina on the same day. From the Vistula to the Pruth the Austrian armies were everywhere pressed back. Men began to talk of "the Russian steam-roller." Japan, joining the Alliance, landed troops in Shantung and attacked the German fortress of Tsingtau, and optimists were looking to peace at Christmas. These hopes were soon shattered. The German retreat from the Marne was not of long duration. On September 13 the Germans were found to be standing along the Aisne. The British army and the French troops on either side of them managed to establish themselves across the river, but could not drive the Germans from the heights beyond, reinforcements arriving for them in the nick of time from the siege of Maubeuge, which fell on September 7. After bitter fighting along the Aisne the front of battle settled down into the deadlock of trench warfare, the trench lines running just north of Soissons, north of Reims through the Argonne to the heights north of Verdun, whence the line bent southwards east of Nancy, Epinal and Belfort to the Swiss frontier, a front not substantially altered during the next four years.

THE RACE TO THE SEA

Then ensued what has been called "the race to the sea." As the trench lines were established, it became possible for both sides to reduce the number

of troops on the entrenched front from the density which had been the result of open battle, and each side endeavoured to use the troops thus released to get round the still open flank of the other. These efforts produced a series of battles, first about Noyon and Peronne which were held by the Germans, then in front of Albert which was held by the French, while at the end of September and the beginning of October a fierce struggle took place for the possession of Arras. Joffre had appointed Foch to direct generally the operations on his left, and it was largely due to Foch's energy and courage that Arras remained in French hands though the trench line reached to the very outskirts of the town.

The Belgian army had, it will be remembered, retreated into Antwerp, and had kept a considerable force of German troops in observation of the fortress. Further, it had by a series of sorties prevented the Germans from detaching troops against the Channel ports, the occupation of which would have severed the most direct communication between England and France, and given Germany convenient bases for raids upon British sea-borne commerce. Thus the Belgian army rendered a second invaluable service to the Allies. The Germans, as a preliminary to another great effort to get round the Allied left and secure the Channel ports, determined to reduce Antwerp, and on September 27 began to bombard its forts with heavy howitzers. Simultaneously the Allied commanders agreed on another effort to get round the German right and reach out a hand to Antwerp. The British army relieved by the French on the Aisne moved northwards into Flanders, and was accompanied by French troops directed by Foch. After his failure on the Marne, Von Moltke was removed from his position of Chief of the German General Staff and his place taken by Von Falkenhayn, who planned and supervised the new German effort. The siege of Antwerp was vigorously pressed, the forts being smashed one after the other by the fire of 42 c.m. howitzers, and preparations for a drive towards Calais were pushed forward. The British Government, alarmed at the reports from the Belgian front, made an effort to aid the defence of Antwerp, which Mr. Winston Churchill, then First Lord of the Admiralty, endeavoured by his presence to encourage, while British troops, for the most part newly raised levies but partially trained, were sent into the place to hearten the Belgians. A more important succour took the form of a regular British division and a cavalry division, which were landed at Zeebrugge under General Rawlinson on October 6 and 7. But ere these troops could make their pressure felt, Antwerp had, on October 10, fallen, the Belgian army accompanied by the gallant King of the Belgians escaping along the coast towards Dunkirk, to meet the British and French troops moving northwards, the Belgian Government being established at Havre.

While these dire events were passing in Belgium the British army had reached Flanders, and its right extending the French left north of La Bassée Canal, advanced towards Lille, where it was just anticipated by the Germans, who occupied the great industrial centre of north-eastern France on October 13. This was the prelude to a fierce battle which raged from the La Bassée Canal through Armentières, Messines, Ypres and Dixmude to the North Sea coast near Nieuport. On October 16 the Germans, in the battle of the Yser, attacked Dixmude, which was heroically defended by French marines, and did not fall to the Germans till November 10. Aided by their French Allies the Belgian army established itself north of Dixmude as far as the dunes of the coast, and, letting in the sea to flood the land, stalled off the German attacks.

THE GERMANS FAIL TO CAPTURE THE CHANNEL PORTS

Meanwhile the British left, under Sir Douglas Haig, had reached Ypres, and passing through that town had joined forces beyond it with Rawlinson's troops from Zeebrugge. A grim struggle followed, for the Germans were making strenuous efforts to compensate for the failure on the Marne by breaking through to the Channel ports. Not only were the besiegers of Antwerp with their heavy artillery brought up to the attack, but four new army corps (eight divisions) created since the outbreak of war — a remarkable feat of organisation — arrived to take part in the battle. On October 31 a supreme German effort nearly succeeded in breaking the British front, but was just forestalled, and thereafter the arrival of reinforcements for a time eased the situation of the Allies; but on November 11 a final great effort to reach Ypres was made by the German Guard, and was repulsed only by the heroic gallantry of the all but exhausted troops. This attack by the *élite* of the German army closed in a dramatic climax the campaigns of 1914 on the western front, where, when they ended, the trench barrier was established from the North Sea to the Swiss frontier. The effort of the German Guards was the last which the Germans could for the present afford to make in the west, for events in the east were urgently claiming their attention.

THE WAR ON THE EASTERN FRONT

After Tannenberg, Hindenburg, promoted Field-Marshal by a grateful Kaiser, had cleared the Russians out of East Prussia, crossed the frontier and advanced into Poland to the Niemen. Rennenkampf, the Russian commander in this area, had fallen back to stand behind that river, and Hindenburg, not yet strong enough to act decisively against the Russian masses, somewhat rashly attempting to force him out of his position, failed and was obliged to fall back. The Russians following him gained a success over him in the battle of Augustovo (October 1–4). Then leaving his troops in East Prussia in defensive positions in the tangle of the Masurian lakes, which the Russians were unable to break, he moved southwards to the help of his hard-pressed Austrian ally. The Russians were engaged in besieging Przemysl, had reached the Carpathians, were threatening to force the passes into the plains of Hungary, and had begun a great movement up the valley of the Vistula towards Cracow.

Hindenburg proposed to outflank this movement by striking at the middle Vistula below Warsaw, while Mackensen with his left centre made an attempt on Warsaw. The battles which resulted are usually called the First Battle for Warsaw. They lasted from October 15–17. Hindenburg achieved part of his object in that the Russians were obliged to give up the siege of Przemysl, but his main effort to cross the Vistula and reach Warsaw was defeated by the prudent manœuvres of the Russian Commander-in-Chief, Grand Duke Nicholas, and the Germans were compelled to retreat. It was this defeat which convinced Von Falkenhayn that a term must be put to the assaults on the western front and reinforcements sent from that front to Hindenburg. So the last effort of Ypres was made on November 11, and thereafter the Germans adopted a defensive policy in the west; and all troops beyond those required to hold the western trenches securely were sent eastwards.

MORE AUSTRIAN FAILURES

Thus early the Germans had discovered that the Austrians could not long be left to themselves. In December the Austrians had begun a third invasion of Serbia, and had occupied Belgrade, but in the battle of the Ridges (December 3–6) their army was completely routed by the Serbians under the command of their Crown Prince, and barely half of it escaped back to Austrian territory. On November 11 the Russians began a second time to besiege Przemysl, and their centre advancing up the Vistula reached the forts of Cracow, the most westerly point attained by their armies. But before Cracow could be seriously besieged, Hindenburg, assured of reinforcements from the west, where a second time the Russians had relieved the strain, struck his counter-blow. The second battle of Warsaw began on November 18 and continued until Christmas; indeed Hindenburg had hoped to give the Polish capital to the Kaiser as a Christmas present. He defeated the Russians in the battle of Lodz, November 29–December 6, and compelled them to abandon the advance on Cracow; but his progress was stopped by the Russian defences 35 miles west of Warsaw, and the siege of Przemysl continued. With the close of the year winter put a stop to active campaigning, and the Germans remained with their lines established well within Polish territory.

THE ALLIES COMMAND THE SEA

Before closing the story of 1914 we must look at what has been happening in the world outside the main theatre of war. The command of the sea which the Allies possessed prevented Germany from sending any help to her colonies, and most of these fell easily. By August 26 small British and French expeditions had occupied the German colony of Togoland. On September 27 an Anglo-French force under General Dobell captured Duala, the chief port of the Cameroons, and a campaign chiefly conducted by native troops was begun for the conquest of the interior. On September 19 forces from South Africa occupied Lüderitzbucht in German South-West Africa. In the Pacific an expedition from New Zealand had seized Samoa on August 29, and by September 17 German New Guinea and the surrounding German islands had surrendered to a force dispatched from Australia. By October 7 the Japanese had occupied Yap and the northern German Pacific islands, and on November 7 Tsingtau capitulated to the Japanese who had been joined by a small British force from North China. So, before the end of the year, of all Germany's colonies, only German East Africa remained in her undisputed possession. Against that colony an expedition had been sent from India in November, and had attacked the port of Tanga, but the expedition was not well planned and the attempt failed.

TURKEY JOINS THE CENTRAL POWERS

But Germany obtained some compensation for the loss of most of her colonies, and power to create complications for the Allies, by the accession of Turkey to her side. A secret agreement between Turkey and Germany had been concluded in the early days of the war, and two powerful German cruisers, "Goeben" and "Breslau," which at the beginning of August were in the Adriatic, had escaped to Constantinople and passed nominally under the



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British cavalry crossing an area in France flooded by the Germans.



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A lonely British outpost on a canal bank in Flanders. The landscape is typical of this region of Belgium.



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A British artillery squad in Italy getting an anti-aircraft gun into position.

Turkish flag, but it was not until November 1 that war with Turkey was actually begun. This at once greatly increased the strain on the Allies. As has been explained, it cut off all hope of easy communication by sea between the western Allies and Russia. For Russia it involved an extension of the war into the Caucasus, while it made it necessary for Great Britain to take measures to protect Egypt and the Suez Canal, and to forestall enterprises against India. In order to secure the Persian Gulf and the supplies of oil from the Persian oil-fields, an expedition was sent from India, which landed on November 6 at the head of the Gulf and occupied the mouths of the Tigris and Euphrates.

Thus at the end of 1914 the war was already world-wide, and there were indefinite possibilities of its extension. Despite the failure of her plan of conquest in France, Germany had occupied the whole of Belgium; established herself in the west within a short distance of the Channel forts, the direct doors between England and France; and at Noyon she was within 60 miles of the French capital. On the eastern front she had driven the Russians from her territory, and the feebleness which Austria had displayed seemed to be the one weak spot in her armour. In the first months of the war she had secured a dominating position, and the task of driving her from it was indeed formidable.

NEW MILITARY PROBLEMS

The trench barrier in the west presented to the military world an entirely new set of problems. It made free manœuvre, the chief resource of generalship in the past, impossible, and it increased enormously the importance of material, mobility having become a consideration second to power. The demand for heavy guns, high-explosive shells, machine-guns, and new weapons suitable for trench warfare, was unending, while the development of fighting in the air and the dropping of bombs as a means of attack was rapid and the numbers of aeroplanes employed increased quickly. All this meant that the industries of the combatants were severely taxed to supply the armies in the field, and the mobilisation of manufacture became as important as the mobilisation of man-power. In this Germany, who had from the first given more thought to the development of heavy artillery and to the application of her industries to the purposes of war, had a considerable start.

But the ultimate resources of the Allies were far greater than those of the Central Powers, and with them the question was how quickly could those resources be developed and how should they be employed when ready. Lord Kitchener, the British Secretary of State for War, had alone of the statesmen of Europe at once seen that the war would last for years, and made preparation accordingly. He planned an immense expansion of the British army, and whereas at Mons the British had put four divisions and one cavalry division into battle, he provided for 70 divisions and five cavalry divisions, while each of the British Dominions was preparing large contingents, and every colony promised its quota of men. It was clear that very large British reinforcements would be ready in 1915, while the French army would also be expanded, though of course that army having been much the larger at the outbreak of the war could not be increased to the same extent as the British.

THE EASTERN AND WESTERN SCHOOLS

The question arose as to how these reinforcements could best be employed. There were those who held that attacks upon the western trench

barrier were a useless waste of life, and certainly the first attempts had produced little but loss. They argued that the right course was to attack the Central Powers at their weakest and not at their strongest point. Some desired to send troops to reinforce the Serbian army, the effect of which it was hoped would be to bring Greece and Rumania in on the side of the Allies, to cut Germany off from Turkey, and enable a deadly blow to be dealt at Austria, the weak member of the opposing combination. Others advocated an attack upon Turkey, which would open a road through the Straits to the Black Sea and Russia. There was much to be said for this last plan. Russia had masses of men but needed munitions to arm them, and could not manufacture them herself. She had, in return, grain and oil to place at the disposal of the western Allies. Further, an attack upon the Dardanelles would enable the sea and land power of the Allies to be used in combination. On the other side it was held that the western front could not be considered secure as long as the Germans were as near as they were to Paris and the Channel ports; that the central position of Germany would allow her to strike while the Allies were preparing distant enterprises; that at any time she might elect to act defensively on her eastern front and bring back troops for a great enterprise in the west; and that though reinforcements of men might be ready, reinforcements of munitions were not, the troops on the western front being woefully short of shell and all appliances required to make life in the trenches endurable.

THE DARDANELLES CAMPAIGN

These briefly were the views of the opposing eastern and western schools of thought, which remained in conflict throughout the war. The result of the dispute was a compromise. It was agreed to send the greater part of the British reinforcements to France, and also to make an attack upon the Dardanelles, which it was hoped the British navy would be able to force. The reasons for making this attempt were strengthened by a Turkish attack begun on February 2, 1915, on the Suez Canal. The attack was beaten off without much difficulty, but it was felt that a blow at Constantinople would be the best defence of Egypt and make it unnecessary to keep a large number of troops for the defence of that country. The attack on the Dardanelles was begun on February 19, by a combined British and French fleet, and the first forts were destroyed; but it was finally repulsed on March 18, one French and two British battleships being sunk. It was then decided that it was too late to draw back, and a military attack upon the Gallipoli Peninsula was ordered. This began on April 25, the British after severe fighting effecting a landing at Cape Helles, the French landing at first on the Asiatic side of the Straits and later being transferred to the Peninsula. The troops for this enterprise were in part sent out from England, in part drawn from Egypt, whence came the Australian and New Zealand contingents, and were reinforced by two French divisions, the whole being under the command of Sir Ian Hamilton.

A series of battles with the Turks for the heights of Krithia followed, but by the middle of June the Allied forces merely held a fringe of land on the edge of the Peninsula, and it had become clear that it was not possible to drive the Turks from it by direct attack. The preliminary naval attack, which had not produced the results expected of it, had given the Turks ample warning, and their defence was ably conducted by the German general, Liman von Sanders. A combined naval and military attack carried through

by experienced troops would probably have been successful in the first instance, but Great Britain had not in February, when the naval attack was made, sufficient experienced troops available, and her stocks of munitions were in the making. The result was that owing to initial mistakes Great Britain was led into undertaking two great campaigns, while she was in process of raising a national army, and had not the resources ready for the proper conduct of one.

THE WESTERN FRONT

On the western front Joffre had planned, for the spring of 1915, a great attack in Artois, in the neighbourhood of Arras. He held the view, in which Sir John French concurred, that it was essential to drive the Germans back at the earliest possible moment from the numerous points vital to the Allies which their position in the west threatened. Further loyalty to Russia who had twice helped her friends in the west when they were hard pressed, demanded that every effort should be made to force the Germans to send back troops to France. The French operations were to be conducted by General Foch, and the British army was to coöperate with him on his left. As a preliminary to the greater attack, Sir John French made on March 10 an attack with his 1st army on the German positions about Neuve Chapelle. The village was carried; but the attack was soon held up beyond it by the German machine-gunners. This battle, though small compared with those that followed it, had a great influence on the course of war in the west.

The view at that time held by the Allied commanders was that the war had taken the form of a vast siege of the Central Powers. At Neuve Chapelle was tried for the first time the experiment of preparing the attack of the infantry by an intense artillery bombardment by guns of all calibres. The results though meagre were held to be sufficiently promising to warrant a development of the method, particularly as the Allied munition factories were beginning to produce guns and high explosive shell in quantities, which in the future would be vastly increased. It was held that if a breach sufficiently wide could be blown in the German defences, it would only remain to pour the infantry through that breach, and the enemy would be forced out of his trenches into open country. This conception, which as will be seen was erroneous, dominated for the next two years the plans of battle on the western front, and the demand was ever for more and more heavy guns, more and more shell. Foch's attack was to begin early in May, but the Germans were not disposed to watch passively the preparations for the battle.

USE OF POISON GAS

On April 22 they discharged volumes of poison gas from cylinders against the Anglo-French positions surrounding Ypres. Foch had withdrawn the best of his troops from this area in preparation for his battle in Artois, and those that remained, totally unprepared for this form of attack, at first fled in panic. On the French right, however, the 1st Canadian division made a splendid stand, and the Germans, somewhat uncertain of what the effect of the new weapon would be — a number of their own troops were in fact poisoned by their gas — were unprepared for the extent of their success. This allowed the Allies time to send up reinforcements, and a new front was patched up around Ypres; but the German attacks in this second battle of Ypres continued until May 24 and had the effect of reducing very materi-

ally the help the British were able to give Foch, whose attack opened up on May 9 in the battle of Souchet. This battle, which lasted until July 13, began with a feature common to such battles in the west, initial gains by the infantry as the result of the artillery bombardment. These gains were followed by fierce fighting in the tangle of German trenches, in which every point of vantage had to be won against the stubborn resistance of the German machine-gunners, and in the end the gains which brought the French up to the slopes of the Vimy Ridge, the crest of which remained in German hands, were, compared with the whole extent of front, insignificant, and had been won only at enormous cost. The British attacks on Foch's left at Fromelles and Festubert met with still less success, for the British army had not yet sufficient heavy artillery and high-explosive shell to cut the German barbed wire and overcome the German machine-guns. Still, the idea that the right form of attack was an immense bombardment followed by an assault persisted, and when Foch's attacks came to an end Joffre set himself to accumulate munitions for a still greater attack by this method in the autumn.

GERMAN SUCCESSES IN THE EAST

The Germans had been devoting the winter and spring to preparing a supreme effort against Russia. During the early part of the year there had been some desultory fighting on the eastern front. In Poland Prasnysz had in February been captured by the Germans, and retaken by the Russians, and on March 22 Przemysl after a gallant defence had capitulated to the Russians. But this was to be the last Russian success for many a day. At the end of April an Austro-German army under the command of Von Mackensen, supplied with an immense stock of heavy artillery and a vast accumulation of shell, in the preparation of which the munition factories of Austria and Germany had been toiling throughout the winter, began a great attack through the northern hills of the Carpathians directed on Przemysl and Lemberg. On May 2 Mackensen broke through the Russian front at Gorlice, and the Russians, woefully short of artillery and shell, and lacking even rifles and rifle ammunition, fought gallantly but vainly, suffering colossal losses, to stem the tide. Przemysl was retaken on June 2, Lemberg three weeks later, and by the middle of July the Russians had been driven out of Galicia and back to their frontier. The last hopes formed of the "steam-roller" had vanished. But worse was to follow.

Mackensen's advance through Galicia had left the Russians round Warsaw in a pronounced salient, and this salient Hindenburg proceeded to crush in by a general offensive along the whole eastern front from the Baltic to the Carpathians. On August 5 the Germans entered the Polish capital, and the Russians were involved in an immense retreat on a front of 500 miles. By the end of September Courland and the greater part of Poland was in the hands of the Germans, and the Russian front ran in a general north and south line from Riga on the Baltic through the Prinsk marshes to the northern slopes of the Carpathians. But the Russians, though they had suffered dire defeats, were not done with. Throughout their great retreat they had kept their line intact, and now that it had been straightened out they turned to counter-attack as opportunity offered. Notably at the end of September, Brussilov on the Carpathian front defeated the Austrians, left for a time to themselves by their German allies, and recaptured Tarnapol. The Austro-German offensive petered out from exhaustion, and the eastern front settled down to face the Russian winter.

ITALY ENTERS THE WAR

To turn again to the west. In May, high hopes had been aroused amongst the Allies by the entry of Italy into the war on their side. It was generally felt that Austria, whose weakness was clear, would be unable to stand long against the new foe. But these hopes did not long endure. The conformation of the Italian frontier made an attack on Austria peculiarly difficult. The frontier being mountainous in character was highly defensible, and the one opportunity of striking an effective blow was across the extreme north-eastern end of the frontier, where the mountains dwindled into hills in the direction of Laibach or of Trieste. But the communications of an Italian army moving in this direction ran through the plains of Venetia at the foot of the Austrian Alps. This meant that General Cadorna, the Italian Commander-in-Chief, had to guard the exits from those Alps zealously, and while fighting eastwards had to keep one eye on his northern flank.

Italy declared war on Austria on May 23, and after some initial successes on the frontier began on July 2 the First battle of the Isonzo, a river which runs just east of the old Italian frontier from the Julian Alps to the Gulf of Trieste. In the difficult country the Italian attacks could make little progress through the Austrian trenches, and a deadlock of trench warfare similar to that in France supervened.

Meanwhile the British had decided to make a last effort to open the road to Constantinople, and large reinforcements were sent to the Gallipoli Peninsula. The Russians were pressing the Turks hard in the Caucasus, and had occupied Van in Armenia, arriving too late however to forestall a wholesale massacre and deportation of the Armenians by the Turks. The British expedition to Mesopotamia was winning success, and it was believed that Turkey was nearly exhausted. On August 6 a fresh landing was made on the Gallipoli Peninsula, at Suvla Bay, but the troops, new levies without experience of war, were asked to undertake the most difficult of military operations, namely a landing in presence of an enemy. They failed in the enterprise, and were stopped by the Turks on the hills beyond the shore. Hardly had the battle of Suvla Bay ended when a new development in the Near East condemned the ill-starred Gallipoli campaign to complete failure.

BULGARIA TOO JOINS THE CENTRAL POWERS

Bulgaria had long been flirting with the Central Powers, and in September, impressed by the result of Hindenburg's campaign against Russia, she ordered mobilisation and prepared to invade Serbia on the understanding that a large Austro-German army would also enter that country. Attacked from across the Save and the Danube by the Austro-German forces, and taken in flank by the Bulgars, the Serbians had no chance of holding their own. In less than two months their army was swept out of their country, and retreating through Albania found refuge in Corfu, whence it was eventually landed in Salonika, which had been in the interval occupied by an Anglo-French force. On hearing of the impending attack on Serbia the French and British Governments had decided to send troops from France to Salonika to her aid, and a British division was moved there from the Dardanelles. But these troops only arrived in time to entrench positions around the harbour of Salonika, where they were watched but not attacked by the forces of the Central Powers, which had secured possession of the whole of Serbia.

The immediate result of this campaign was to open up direct rail communication between Germany and Constantinople, and amid great rejoicings the first through Eastern express left the Friedrichstrasse station of Berlin. It was clear that it would not be long before heavy German artillery could be in action on the Gallipoli Peninsula, and there was grave danger that the Allied troops there would be blown from their precarious positions into the sea. So after much debate it was mournfully decided that the Peninsula must be evacuated, and on December 20 the troops were reëmbarked from the Suvla and Anzac positions, the latter being the name given to the lines held by the Australian and New Zealand Corps. To the general amazement the withdrawal, which had appeared to be a desperate undertaking, was carried through without loss, and the amazement was still greater when the Turks, despite the warning of the earlier withdrawal, allowed the troops at Helles to escape also without loss. The greater part of the expedition was sent to Egypt to recuperate, and so ended an undertaking which cost Great Britain 117,000 battle casualties, while the sick numbered close on 100,000.

THE ALLIED CAUSE AT LOW EBB

About the time when the situation in Gallipoli was seen to be hopeless, the British expedition in Mesopotamia had established itself far up the Euphrates and the Tigris. A British force under General Townshend had reached Kut el Amara on the latter river, and overcome the Turks there without much difficulty. It appeared that the occupation of Bagdad would go far to neutralise in the East the effect of the failure at the Dardanelles, so Townshend was authorised to advance to Bagdad. At Ctesiphon, not far from the city of the Caliphs, he met and again defeated the Turks on November 22; but the arrival on the field of Turkish reinforcements sent from Europe compelled him to retreat, and his force was caught up and besieged in Kut el Amara. Reinforcements were hurried to Mesopotamia, but the long and difficult line of river communications had not been sufficiently prepared to enable large forces to be maintained on the front, and the Turks were able to hold off the relieving force until Townshend was, on April 29, 1916, forced by starvation to surrender. Thus in the Near and Far East the fortunes of the Allies were at a low ebb.

THE ALLIES FAIL TO BREAK THROUGH

Nor did any relief come from the West. Joffre's great offensive, of which the highest hopes had been formed, and for which vast preparations were made, began on September 25. It took the form of a double battle, of which the main effort by the French armies was made in Champagne, while a second attack was made on the German lines on either side of Lens. Here the French under Foch were to storm the Vimy Ridge and advance south of Lens, while a British army under Sir Douglas Haig took Loos, and advanced north of the mining town. The general scheme of attack in both battles was the same, namely the crushing of the German trenches by an immense bombardment, to be followed by a great infantry assault. The French army had grown both in power and in numbers, and the British army, though still far from its full development, had been greatly increased by the arrival of Kitchener's levies.

In September, 1915, the fighting strength of the British and French armies

on the western front reached 3,250,000 men, while that of the Germans on the same front was under 2,000,000. It was believed that this superiority would prove crushing, and Mackensen's achievement at Gorlice, in breaking the Russian front, was held to confirm the correctness of the method of bombardment and assault. The result was a grave disillusionment. In Champagne the first and second lines of the German trenches were carried, and a large number of prisoners were taken, but the German reserves arrived in time to prevent a breach being made, while in the northern battle the results were even less satisfactory. Foch's attack on the Vimy Ridge failed completely, and though the British, using gas for the first time, stormed Loos, they were stopped a short distance beyond that town. The Allies had not discovered how to break the barrier in the west.

The analogy of the siege was, in fact, misleading. In a siege, when the defences are breached and the place entered successfully, victory is won. But on the western front the creation of a breach and the passage of the infantry through it were only the preliminary steps. It was then necessary to meet and overcome the opposing reserves. The huge bombardments of the west certainly flattened out the trenches, but they also destroyed the surface of the ground, making rapid movement forward difficult, and this, added to the confusion inevitable in battle, prevented an orderly and co-ordinated advance of the attacking infantry. Further, the lengthy process of assembling a mass of heavy artillery and bringing up mountains of shell could not be easily concealed from an enemy well provided with aeroplanes. Thus the defender had usually some warning and time to bring his reserves to the point of attack. These reserves arrived fresh and in good order in areas not destroyed by shell-fire and were able sooner or later to hold up the attack.

The conditions on the western front were essentially different from those on the eastern front. There the Russians deficient in guns, shells and machine-guns, had not the means of replying to attack which the opponents in the west possessed, and their lack of aeroplanes prevented them from discovering what was afoot. But the essential difference between the two fronts was that the distances were far greater, and the railway communications, particularly on the Russian side, far less developed. So the rapid movement of reserves, the essential feature of defence in the west, was not possible in the east, and Mackensen's methods, successful on the one front were not applicable to the other.

The winter of 1915 saw a reorganisation of the Allied command in the east. Joffre, till then nominally Chief of the French General Staff, became Commander-in-Chief of the French armies, with de Castelnau as his Chief of Staff, while Sir John French was succeeded in the command of the British army in France by Sir Douglas Haig, Sir William Robertson becoming Chief of the British General Staff.

VERDUN: "THEY SHALL NOT PASS"

The Germans, though their tactical methods were at this time, particularly as regards the use of heavy artillery and machine-guns, ahead of those of the Allies, and the results which they obtained were, therefore, greater, were still far from having solved the problem of the barrier in the west. Von Falkenhayn, anxious to anticipate an Allied offensive in France, planned, for the beginning of 1916, a great attack upon Verdun, one of the pivots of the Allied defensive system, by the army of the Crown Prince. His avowed intention was less to break through the French defences than to bleed white

the French army, which had borne till then the brunt of the war in the west.

During December and January the Germans made a number of local attacks designed partly to distract attention and partly to test various methods of bombardment in view of the greater effort which they were planning. There had been indications that this effort would be made in the Verdun sector, and General de Castelnau was sent thither by Joffre to examine the defences. He ordered certain improvements, but time was lacking to carry these out.

The Allied defences at this period of the war were very inferior to those of the Germans, for the British and the French had spent the greater part of 1915 either in carrying out the vast preparations necessary for an attack in trench warfare or in attacking, and had little energy or labour left for more digging. The Germans who had been on the defensive throughout the year were able to use forced labour from Belgium and the occupied provinces of France, besides the large number of prisoners they had captured on the Russian front, while the Allies could only find labour at the expense of their armies or of their munition factories. It was the superior strength of their defences which allowed the Germans, while in inferior numbers on the whole front, to run the risk of withdrawing troops from parts of that front in order to obtain sufficient force for the attack on Verdun. That attack opened on the banks of the Meuse opposite Verdun on February 21. The Germans at once gained a startling success, penetrating the French lines, and on the fourth day of the battle capturing Fort Douaumont, one of the chief of the outlying works of the fortress of Verdun. This success was greater than any yet gained by the Allies in attack, though their relative superiority in men on the battle fronts had been far greater than that of the Germans at the beginning of the battle of Verdun.

The British and French Commanders-in-Chief were agreed that the principles on which the plans of battle in 1915 had been drawn up required modification. It was seen that the analogy of the siege did not hold, and that until the German reserves were exhausted no decisive success could be expected. So long as the Germans attacked at Verdun they would have to draw upon their reserves, and it would therefore be to the advantage of the French to endure these attacks provided always that the enemy gained no advantage which he could exploit to the detriment of the strategical position of the Allies on the whole front, and provided that the exhaustion of the French reserves was not excessive. Joffre therefore decided to fight defensively at Verdun as long as possible, but to be ready to strike back as soon as the situation appeared to him too dangerous, or as soon as the French army was reaching the limits of endurance. He therefore asked Haig to extend his front and release French troops for the Verdun battle and also to prepare to attack north of the Somme. These tasks the steady increase of the British army enabled Haig to undertake.

The battle of Verdun continued throughout March and April, the Germans in their attacks gaining ground slowly at great cost. In May General Pétain who had made a great reputation by his defence of the fortress was appointed to command the group of French armies of which the Verdun troops formed a part, General Nivelle taking his place in command of the army on the battle front. Towards the end of May Pétain became alarmed at the progress of the Germans and pressed for an early beginning of the counter-offensive on the Somme, but Joffre was anxious to give Haig as much time as possible for his preparation and bade Pétain endure yet longer.

In the first days of June occurred two events which were turning-points in Great Britain's administration of the war. On the 5th H. M. S. "Hampshire" struck a mine off the coast of Scotland and sank with Lord Kitchener,

who was on his way to Russia to concert plans with the Russian Government, on board. A few days before he sailed Kitchener had reviewed the last of his new divisions before it left for France. His work was in great measure accomplished, and three days after his death compulsory service became British law.

On June 7 the Germans captured Fort Vaux, and on June 24 stormed the village of Fleury. This was the furthest point reached by them in their advance on Verdun, and it was also the culminating point of the military achievement of the Central Powers. Except for a mile along the Austrian frontier where it marched with those of Hungary and Italy, they had driven the enemy everywhere from their territory, and on both western and eastern fronts they had established themselves deep in the country of their enemies. Belgium and Serbia were wholly in their hands. Their Turkish ally had gained remarkable success both at the Dardanelles and in Mesopotamia. Only at sea did the Allies remain supreme, and on the oceans the German submarines were taking a heavy toll. There was to be many a crisis before the war ended, and the tide of success was to ebb and flow, but with the last assault upon Verdun there began an appreciable decline of the military strength of the Central Powers. The story of that decline may be left to the next chapter.

CHAPTER VIII

HOW THE WAR WAS FOUGHT AND WON

Continued

From the Battle of Verdun to the Armistice

By Major-General Sir Frederick Maurice, K.C.M.G., C.B.

Commander of the Legion of Honour. Croix de Guerre. First-class Order of St. Stanislas of Russia. Director of Military Operations, Imperial General Staff, 1915–1918. Author of *Forty Days in 1914; The Last Four Months.*

The bombardment which began the battle of the Somme was opened by the British artillery on June 24, 1916, the very day on which the Germans captured Fleury. Pétain's resources were nearly exhausted, and it was time for the British army to come more definitely to his help than it could do by extending its front and setting free French troops. That army had grown under Kitchener's direction from a small body of regular troops into a great national force. At the end of June the four divisions and one cavalry division which had appeared at Mons had become 56 divisions and five cavalry divisions, which represented the flower of the manhood of the British Empire. The Canadians had long been on the western front and they were now joined by Australians and New Zealanders rested and reëquipped in Egypt from the exhaustion of the Dardanelles enterprise. The British army was ready to relieve the French of the brunt of the land war which they had so long borne. The battle of the Somme was fought out in three stages, the first being the struggle up the western slopes of the Somme plateau, the second the fight for the possession of the plateau, and the third the advance down the northern and eastern slopes towards the valleys of the Upper Ancre and the Canal du Nord. The first phase was completed by July 17 when the British who had won their way through the second German defensive system, had established themselves on the western edge of the plateau. This second stage began on July 23 with a series of fierce counter-attacks by the Germans designed to drive the Allies off the plateau. These being repulsed, the line fought its way forward yard by yard, wresting trench after trench from the enemy, who continually brought up reinforcements. Throughout August the grim struggle continued, and it was not until September 9 that the British were in possession of Ginchy and were able to look down the slopes towards the Canal du Nord with the greater part of the plateau in their hands.

HINDENBURG AND LUDENDORFF TAKE COMMAND

The battle was fought, it will be remembered, for two objects — the relief of Verdun and the exhaustion of the German reserves. The Germans, forced to transfer troops to the Somme, had to relax their pressure on Verdun. The French through July slowly regained part of the ground which had been won from them, and on August 17 drove the enemy out of Fleury. Verdun



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Marshal Pétain, who fought the Germans to a standstill at Verdun; Commander-in-Chief of the French Armies from May, 1917.



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General Nivelle, who was relieved of command of the French Armies after the comparative failure of the ambitious attack launched April 16, 1917.



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Marshal Joffre, who threw back the Germans at the Marne in September, 1914.

THREE FAMOUS FRENCH SOLDIERS

was no longer in danger. The second object of the battle of the Somme was being obtained slowly but surely. In the two months since July 1, 64 divisions had been engaged by the Germans. In the six months of Verdun they had employed 43 divisions in battle, so that their defence on the Somme was exhausting their troops far more than their attacks on Verdun. At the end of August the failure of Falkenhayn's plans was publicly admitted by his supersession by Hindenburg, with Ludendorff as Chief of the Staff. The situation of the Allies was very different from that of June, when men were wondering how long it would be before the Germans entered Verdun. Not only had Verdun been saved and the Germans forced to fight desperately on the defensive, but the Italians had driven back the attacking Austrians in the Alps, had then passed themselves to attack on the Isonzo, and on August 9 had captured Gorizia. On the Russian front Brussilov had won great victories in the Bukovina, and on August 27 Rumania had entered the war, and yet another enemy confronted the Central Powers. The Serbian army had been reconstituted and moved from Corfu to Salonika, where it had taken its place in the Allied line. Sarrail, now in command of all the Allied forces in Macedonia, had been able to swing his left forward from the cramping lines covering the harbour of Salonika, and the *Entente* Powers were at last in a position to speak plainly to Greece. In the Near and Far East and in Africa the situation of the Allies had improved remarkably. Egypt was not only in no danger but was able to spare many divisions refitted after the Dardanelles campaign for employment in France.

In Mesopotamia the British force had been reorganised and strengthened and was preparing to attack the Turks. In West Africa the conquest of the Cameroons had been completed. In German East Africa local levies under the leadership of an able German general, Von Lettow, had long been giving trouble and had been making raids into the British territory of Uganda. In order to meet this danger, it had been decided to organise an expedition into German East Africa, largely made up from troops drawn from the Union of South Africa, and the command was given to General Smuts. Smuts began his campaign in May, 1916, and by manœuvring round the flanks of Von Lettow's forces drove them back, first from the frontiers of Uganda and then into the interior of the German colony. On July 7, Smuts occupied Tanga, where the first British enterprise in that part of Africa had failed, and on September 4 the capital of the German colony, Dar-es-Salaam, fell to him; so though it was evident that the complete conquest of German East Africa would be a long business, owing to the nature of the country and its vast extent, all anxiety as to the outcome was by then at an end. The whole machinery of the Alliance was for the first time simultaneously at work, and Joffre's strategy appeared to be triumphant.

FIRST APPEARANCE OF TANKS

It was in these encouraging circumstances that the third phase of the battle of the Somme began on September 15. The attack of that day was made famous by the appearance in battle for the first time of tanks, as yet few in number, imperfect in construction, but a British invention destined later to have decisive influence on the problem of breaking through the trench barrier. By September 26 the third German system of defence was penetrated, and it seemed as if the fruits of victory were to be gained, when the weather broke and mud and wet proved to be potent auxiliaries of the enemy's defence. The days were growing shorter and the weather became worse, while the Germans, drawing troops from all parts of the front to prevent

their line breaking, fought with fine courage. By November 17, when the battle ended, they had engaged no less than 127 divisions. Their reserves had indeed been worn down; in the valley of the Andre they had been pressed into an awkward salient, but it was too late to reap the harvest on the battle front. The first fruits of the Somme were gathered elsewhere.

On October 24 Nivelle began an attack on the right bank of the Meuse and on the following day recaptured Fort Douaumont. This conspicuous success was followed by the recapture of Fort Vaux on November 2. The battle ended in complete victory for the French, six French divisions overcoming seven German divisions at surprisingly little cost. Nivelle and Mangin, who commanded the Army Corps engaged, became the heroes of France. The victory was largely due to the skilful handling of massed artillery, and the Nivelle method became famous. Its fame was increased when, on December 14, a second attack won an even more brilliant success, which neutralised all, or nearly all, the advantage won by the Germans in four months of tremendous battle.

When the statesmen of Paris and London compared the results of these two battles at Verdun, which resulted not only in important gains of ground but in the capture in a few days fighting of more than 17,000 prisoners, with the slow bludgeon work of the Somme in which the British army in four and a half months had captured 38,000 Germans at a tremendous price, they began to think that they had at last discovered the man for whom they were looking so anxiously, the man who would give them victory without the appalling sacrifices which the Somme had cost.

THE RUMANIAN COLLAPSE

On the eastern front, where General Alexeyev had taken the place of the Grand Duke Nicholas, the Russians began a great attack under the leadership of Brussilov in July, in Galicia and the Bukovina. The Austrian armies in those parts suffered severe reverses, and the Russians on July 28 a second time captured Brody. Rumania had for a long time been hesitating as to whether she should take the plunge of joining the Allies, and these successes of the Russians on her northern borders were used to induce her to throw off that hesitation. This she finally did on August 27. The Germans by great efforts had by then succeeded in rallying the Austrians and in checking the progress of the Russians, but even so there is little doubt but that a prompt advance by the Rumanians into Transylvania would have placed the Austro-German forces in a grave position. Instead however of advancing promptly they moved slowly, waiting for the Russians to come through the Carpathians, a slowness which was increased when Mackensen, whose name as the result of his achievement at Gorlitz and in Serbia struck terror, collecting a body of Bulgarian militia, to which he added a small force of Germans and some Turkish troops, invaded the Rumanian Dobrudja and advanced down the right bank of the Danube. The slowness of the Rumanians gave the Germans just the breathing-space they needed for their preparations against the new enemy. A small German army under the command of Von Falkenhayn, acting with great energy, attacked and defeated the Rumanian left wing in the Carpathians, while their centre and right were creeping forward into Transylvania. On September 20 Von Falkenhayn captured the Vulcan pass and opened the road to Bucharest, thus menacing the communications of the northern Rumanian armies, which were compelled to retreat to cover their capital. Their new front of battle was formed by the end of October, by which time Mackensen had occupied Constanza in

the Dobrudja. Then crossing the Danube near Sistova, Mackensen again turned the Rumanian left and occupied Bucharest on December 6.

The overrunning of another small Ally had a most depressing effect on the peoples of the Allied countries. The number of German troops employed against Rumania was not unnaturally exaggerated, and it was believed that despite the bitter fighting of Verdun and the Somme the Germans had been able to send many divisions to the eastern front. The Somme was held to have been a costly failure, and the view prevailed that it was time to make drastic changes in the arrangements for the conduct of the war. So on December 7 Mr. Asquith's Government fell, and he was succeeded as British Prime Minister by Mr. Lloyd George, while in France a complete reorganisation of the higher command took place.

ALLIED PLANS FOR 1917

Early in December, 1916, Joffre had held at his headquarters a second conference of the Allied Commanders-in-Chief and Chiefs of the Staff, to review the military situation and to decide on the plans of campaign for the coming year.

Great Britain had still a number of divisions to send to France, where the fighting strength of the army had grown to about 1,200,000 men, but it would not be possible for her to create any more divisions and her strength would reach its maximum in the middle of 1917.

The strength of the French army had, at the beginning of 1917, been increased to about 2,600,000 combatants, and the fighting strength of the Allies on the western front was then about 3,820,000 men against 2,200,000 Germans. Joffre declared that the French army would maintain its strength for one more great battle, but that thereafter that strength would diminish steadily as France would not have the men to replace losses. He therefore warned Sir Douglas Haig that during the coming year the burden must fall more and more upon the British army. As to Germany the Allied Commanders believed that the battles of Verdun and the Somme had materially exhausted her military resources, a view the correctness of which has since been amply confirmed by Ludendorff, who speaks of the progressive falling off of the German power at this time. The occupation of Rumania had put a fresh strain on Germany, and the Russian armies were at last well supplied with munitions and had been very successful in the autumn campaign of 1916 in the Bukovina and Galicia, so that it did not appear probable that Germany would be able to transfer many troops from Russia to France. This made it appear that the relative superiority of the Allies on the western front would be greater in the spring of 1917 than at any time that could be foreseen with certainty. For all these reasons it was decided to follow up as quickly as possible the advantage won in the battle of the Somme and to continue to exhaust the enemy's reserves as preparation for a decisive effort. All the armies were to be ready to attack in the first fortnight of February, and the British in the meantime were to continue to press the Germans on the Somme battlefield.

NIVELLE COMMANDER-IN-CHIEF — NEW PLANS

Joffre's plans did not however meet with favour in France. A number of officers of the General Staff regarded the proposal to give more and more of the task of consummating victory to the British army as a slur upon their

country and their army. They found support in Paris, where there were many politicians who had lost confidence in Joffre. The result was the sudden change in the French higher command, which has been mentioned. Foch, whose costly attacks upon the Vimy Ridge had not been forgotten, was placed on half-pay, while Joffre was made a Marshal of France and given an honorific position in Paris, Nivelle, one of the heroes of Verdun, becoming Commander-in-Chief.

The new Commander-in-Chief at once made a drastic change in Joffre's policy and plans. He wished to increase the size and power of the French attack arranged by his predecessor, and in order that he might obtain the French troops necessary he proposed that the British should relieve the troops of two French armies and extend their front southwards across the Somme. As this would take time and make a heavy call upon the British army he proposed that Haig should limit the pressure to be maintained on the Germans on the Somme battlefield during the winter to a corresponding extent, and that the date of the opening of the combined campaign should be postponed until March 15. This meant not only a delay of six weeks in launching the attacks planned by Joffre, but that the enemy would have leisure to recover from the effects of the Somme. It soon became clear, as Nivelle's plans developed, that there was to be an even more complete change of plan than this. He proposed to apply on a great scale the methods he had employed with such success at Verdun and to return to the policy which had been discarded after the failure in Champagne in 1915. He intended by skilful employment of a great mass of artillery to overcome the enemy's resistance in his front lines, and then to attack with a great reserve which should burst completely through the trench barrier and restore by one swift blow a war of movement on the western front.

On the British side Mr. Lloyd George had never looked with much favour upon the policy of attacking the trench barrier in the west. He had been horrified by the slaughter of the battle of the Somme, but he was quite ready to welcome a Commander-in-Chief who offered so attractive an alternative to the slow bludgeon work of the Somme, as a short and decisive battle. So it was agreed by the French and British Governments at a conference held at Calais at the end of February that the British army should be placed under the orders of Nivelle, a first and imperfect attempt to achieve unity of command; imperfect because it is not possible for a commander occupied with the affairs of his own front to direct those of another.

THE GERMANS RETIRE TO THE NEW HINDENBURG LINE

The results of this mistake were soon evident. Before the Calais conference ended news arrived that the Germans were withdrawing on the British front in the valley of the Ancre, and early in March there were indications that the Germans were preparing to retire from the whole of the Somme battlefield into a great new system of defensive works covering Douai, Cambrai and St. Quentin, the system which became known to the Allies as the Hindenburg line. But Nivelle did not believe in a German retreat, and issued to Haig orders which were not compatible with the changed situation. He was soon undeceived, for before the end of the month it had become apparent that the Germans were in retreat from Arras to the Aisne. Relieved from pressure on their front during the winter, they had prepared for their retreat systematically. The whole country which had been in their occupation west of the Hindenburg line was devastated, villages were burnt, roads and rail-

ways destroyed, fruit trees cut down, and mines which exploded at a touch were prepared with devilish ingenuity.

In these circumstances a rapid pursuit became impossible, and the Allied troops were not in touch with the Hindenburg system till the first week in April, the German withdrawal extending at its greatest depth to about 30 miles. This retreat, planned and successfully carried through by Ludendorff, effected a great change in the situation, to the benefit of the Germans. Not only did it materially shorten their front and thereby enable them to increase their reserves, but their troops exchanged the battered defences of the Somme battlefield for the strongest lines that had yet been built on the western front. The Germans had withdrawn from a considerable part of the front which Nivelle had intended to attack, and as he still adhered to the main features of his plan, this made a further postponement necessary while troops, guns, and munitions were brought forward. In the altered circumstances grave doubts arose in the minds of some of the senior French generals, and these coming to the ears of the French War Minister, M. Painlevé, he assembled a council of war on April 6, the very eve of the offensive, at which criticisms of the plan were presented by certain of the commanders who were to take a leading part in its execution.

Despite this unfortunate prelude the campaign began auspiciously. The British opened it on April 9, with an attack by Allenby's 3rd army on the German front east of Arras, combined with an attack by the Canadian Corps and British troops under General Byng on the Vimy Ridge. Allenby's men, advancing on either side of the Arras-Cambrai road, won their way through the strongest and most intricate defences yet attacked by British troops, while Byng's captured the Vimy Ridge, which had for so long resisted Foch's assaults, and pressed down its northern slopes into the plain beyond. At the end of the first stage of the battle on April 15 more than 13,000 prisoners and 200 guns had been captured.

FAILURE OF NIVELLE — PÉTAIN IN COMMAND

What was to have been the second battle of Nivelle's campaign was fought by the group of armies of the French Centre under Franchet d'Esperey against the German front in the neighbourhood of St. Quentin, but Franchet d'Esperey was there in contact with a part of the main Hindenburg line and had not had the time to prepare for an attack on these formidable defences. This attack of April 14 was consequently little more than a demonstration, and had none of the results which Nivelle had hoped to obtain from it. The main French effort, which took place on the front between Reims and Anizy, began on April 16. Nivelle's scheme was based on the supposition that the French infantry would on the first day of battle break through the first three German lines; but the Left attack failed almost completely, and though the others broke through the first German line, little progress was made beyond it. The dream of a rapid rupture of the enemy's front had to be abandoned, and a fresh plan of battle had to be formed. Nivelle requested Haig to press his attacks beyond the Vimy Ridge so as to keep the largest possible number of Germans occupied in that quarter, and he altered his plan of a rapid assault into one of slow progress up the Chemin des Dames Ridge, of which he captured the eastern portion. But early in May it was quite evident that Nivelle's campaign had failed, and on the 15th the French replaced him by General Pétain, while General Foch became Chief of the Staff in Paris. Pétain's first task was to wind up the operations on the Aisne front, and the battle ended definitely on May 20.

The events of the spring had proved woefully disappointing to the Allies because of the high hopes which Nivelle had injudiciously aroused, but they were far from unimportant. The German retreat in March, which was a direct consequence of the battle of the Somme, had at last removed a standing menace to one of the most vital parts of the Allied front, that which covered directly the roads to Amiens and Paris. Had the Germans in March, 1918, started from the positions which they held in February, 1917, and had their attacks progressed at the same rate, they would have entered Amiens on the second day of the battle, which would have ended with the German guns bombarding Abbeville and communications between the French and British armies severed. The retreat which was forced upon the Germans by the battle of the Somme saved the Allies in the following year, but the whole course of the war in the west might have been changed if the Germans had been pressed on the Somme battlefield during the winter, and if they had been attacked early in February before their plans for retreat had been completed, as Joffre and Haig had desired instead of being allowed to fall back at their leisure. As it was, the failure of Nivelle to realise the anticipations which he had encouraged caused profound dejection in the French army and nation. A series of mutinies occurred in the French armies which so affected the *morale* of the French troops that Pétain found it necessary to appeal to Haig to keep the enemy engaged while he restored the confidence of his men.

RUSSIA DROPS OUT. AMERICA COMES IN

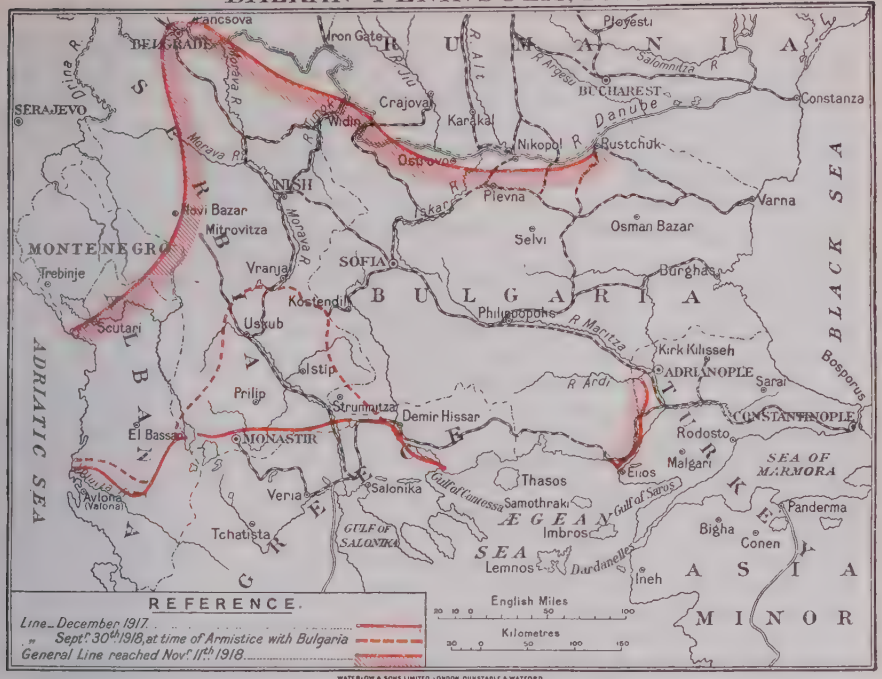
In the meantime two events which profoundly affected the conduct of the war had occurred. In March a revolution had broken out in Russia, and on March 15 the Tsar had abdicated. On April 6 the United States of America declared war on Germany. It was obvious that the Russian Revolution would have its repercussion in the ranks for the Russian army, but the condition of that army was not hopeless yet. On May 19 the new Government of Russia had issued a declaration repudiating a separate peace, while in June Brussilov had succeeded Alexeyev as Commander-in-Chief, and was preparing an offensive in Galicia, an offensive which began on July 1 and at first had some success. It therefore seemed possible that if the German army in the west was kept fully occupied the Russian army might yet recover, and it was certain that inactivity of the Allies in the west would precipitate the threatened collapse.

The entry of the United States of America into the war on April 6 had brought the Allies immediate and valuable aid in shipping and finance, but the first contingent of American troops did not reach France until June 26, and it was calculated that it would be a year at least before any large American force could be ready to take part in battle on the western front. In the meantime it was urgent that the Germans should make no great attack upon the French army until Pétain had had time to restore its *morale*.

BRITISH ATTACKS IN THE SUMMER OF 1917

It was in these circumstances that Haig began his campaign in Flanders. Its object was to gain possession of the Passchendaele Ridge so as to be able to sweep with gun-fire the plains beyond it towards Zeebrugge and Ostend. This achieved, a combined naval and military attack, secretly

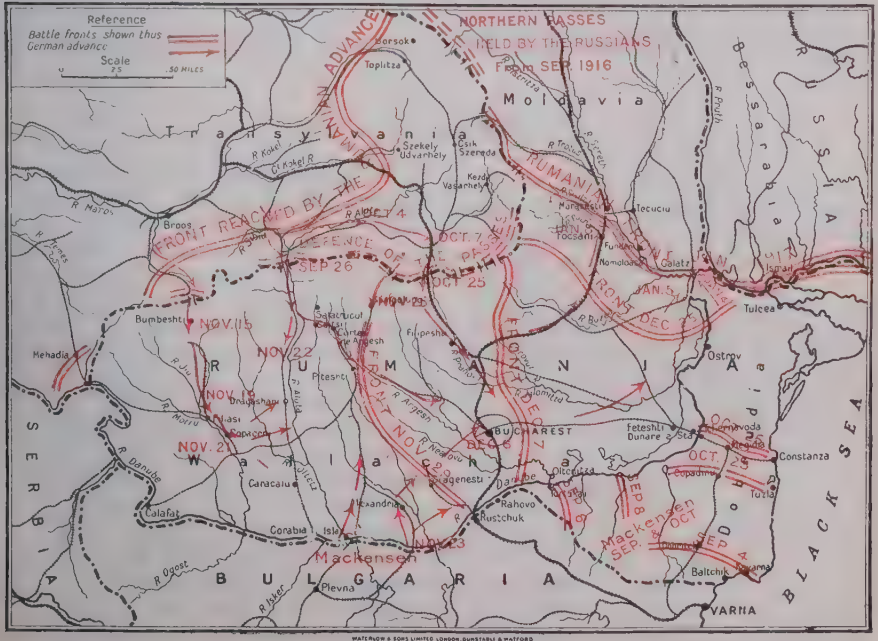
BALKAN PENINSULA, 1918.



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RUMANIAN FRONT.



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prepared in England, was to be made on the Belgian coast, which it was hoped would lead to the capture of the ports which served as bases for the German submarines. The campaign opened with a brilliantly successful attack made on June 7 by the 2nd British army under General Plumer on the Messines Ridge, the whole of which was captured together with 7,200 prisoners and 67 guns at comparatively small cost. Thus the Ypres salient which had been a name of dread to the British army since the winter of 1914, was obliterated, and the way prepared for the main advance to Passchendaele, which began on July 31.

The plan of battle was to deliver a series of blows, each with an objective limited by the support which the artillery could give without changing position. It was believed that the experience of Messines and of the French at Verdun had shown that this would allow the infantry to reach their objective without heavy loss. But the rain of an abnormally wet August upset all calculations. The difficulty of getting guns and ammunition forward through the slough of mud prevented the delivery of a rapid succession of blows, and a more terrible strain was imposed upon the troops than in any other battle of the war. It was not until September 20 that the German third line was pierced, and not until the middle of October that the British troops attained the main ridge. By then one of the chief objects of the battle had been gained. The Germans, forced to send more and more troops into Flanders, were compelled to leave the French alone, and Pétain had time to restore the confidence of his army. Part of his method was the delivery of very carefully prepared attacks on a comparatively small front supported by a great mass of artillery which should leave the infantry little more to do than to occupy the ground won. The first of these attacks was made on the Verdun front on August 20, and by September 9 the French had regained all the ground which the Germans had won in six months' fighting in 1916. This was followed by a more important attack delivered on October 23, which gave the French the whole of the Chemin des Dames Ridge, and resulted in the capture of 11,000 prisoners and 200 guns. Then Pétain was able to tell Haig that the French army was able to look after itself.

BATTLE OF CAMBRAI

The British troops, struggling in the mud of Flanders, could not be given the reasons which had called for a supreme effort from them, and the terrible struggle through the mud, unrelieved by any conspicuous success, told heavily upon them. The continued bad weather and the slowness of the progress made had caused the abandonment of the project of landing on the Belgian coast, and all hope of driving the Germans from the Belgian ports had gone; but there still appeared to be an opportunity of profiting from the exhaustion of the German reserves by striking a blow in a new direction before the winter gave the Germans time to recuperate. On November 20 Byng's 3rd British army attacked the Germans in front of Cambrai. This battle opened a new area in trench warfare. One of the outstanding difficulties which the trench barrier had created was that the accumulation of the huge stores of material of war required for a great bombardment made surprise impossible. But at Cambrai these difficulties were overcome by using a great number of tanks, brought up secretly to take the place of the bombardment in breaking the enemy's defences. The attack was made on one of the strongest parts of the Hindenburg system, but the tanks successfully broke through and the surprise was complete; 10,000 prisoners and 142 guns were taken. Unfortunately on the eve of the battle of Cambrai

six French and five British divisions had been transferred to Italy to help the Italian army to stem the disaster of Caporetto, so that Haig had not the troops to complete and extend the successes won at Cambrai. This is a striking example of the advantage which their central position conferred upon the Germans, for the British divisions which would have been invaluable at Cambrai, had not reached the Italian front at the time when the Austro-Germans were checked on the Piave and the battle of Caporetto came to an end. On November 30 the Germans attacked both flanks of the salient which Byng's advance had created, and regained a great part of the ground which had been won. Thus the battle of Cambrai ended on December 7 in one more disappointment for the Allies.

ITALIAN DISASTER AT CAPORETTO

After the capture of Gorizia in August, 1916, the Italian army had not found it possible to make any material progress in the very difficult mountainous country in which it was involved. Throughout the early part of 1917 the Italian front was in a state of stagnation, varied only by local enterprises which produced no change in the general situation. From this stagnation it was awakened by yet another great Italian attack on the Isonzo in August and September. Though the extent of ground won by the Italian army was not great, the exhaustion of the Austrian army which resulted from the battle alarmed German Headquarters and it was determined to send to the Italian front a German army of eight divisions under General von Below, coming mainly from the Russian front. A weak spot was discovered in the Italian line near Caporetto, and here the Germans attacked and broke through on October 24. The Italian line in the mountains was turned, and the greater part of their army was forced to retreat with very heavy losses. The situation in Italy caused great alarm in London and Paris, and reinforcements were hurried from France through the Alps. Ere they arrived, however, the Italian army had rallied and checked the German-Austrian pursuit on the Piave.

ALLIED SUCCESSES IN THE EAST

In the Far East General Maude in Mesopotamia had begun in December, 1916, an offensive campaign against the Turks around Kut el Amara. Gradually wearing down their resistance, he had by the middle of February driven the Turks from the right bank of the Tigris, then crossing the river in their rear had routed their main army, and after a brilliant pursuit he entered Bagdad on March 11, 1917. Early in 1916 the Grand Duke Nicholas, who on handing over the command of the Russian armies to General Alexeyev, had assumed the control in the Caucasus, had defeated the Turks and occupied first the fortress of Erzerum and then the port of Trebizond. He followed this in the late summer and autumn by driving the Turks from Bitlis and Minsk in Turkish Armenia and sending troops to the Persian frontier of Mesopotamia. Thus when Maude entered Bagdad there appeared to be a good prospect that the Russian and British forces would be able to join hands and erect an effective barrier in the East. This hope was destroyed by the Russian Revolution, which soon brought about the collapse of the Russian forces in Turkey. So Maude in Mesopotamia had to fend for himself, which he was doing successfully when on November 18 he succumbed to cholera.

On the Egyptian front a first attempt by the British to force the Turkish

lines on the southern frontier of Palestine failed in two attempts on Gaza on March 27 and April 19. But as it appeared important in view of the Russian collapse to prevent the Turks from sending an army to recapture Bagdad, General Allenby, who had been sent from France to command in this theatre, was reinforced. On October 31 he attacked and turned the left flank of the Turkish position on the southern frontier of Palestine, and captured Beersheba. Then rolling up the Turkish lines from east to west he captured



Gaza on November 7, and following up this victory with an energetic and cunningly planned pursuit, he occupied Ascalon on the 9th and Jaffa on the 16th of November. Turning eastwards into the hills of Judea he again defeated the harassed enemy, received the surrender of Jerusalem on December 9, and entered the sacred city on foot the following day. These successes in the East revived the controversy between those who advocated an offensive policy in the East and a defensive policy in the West, at least until the Americans could take the field in strength. This discussion was raging when the year closed.

CREATION OF AN ALLIED SUPREME WAR COUNCIL

A sequel to the Italian defeat at Caporetto was a definite step forward toward the coördination of Allied effort. At Rapallo on November 9 it was decided at a conference of the Allies to create a Supreme War Council of the chief Allied Ministers, with Headquarters at Versailles. Permanent military representatives to assist and advise this Council were appointed: General Weygand, Foch's right-hand man, being the French representative; Sir Henry Wilson, the British representative; while General Cadorna, who had been succeeded in the command of the Italian army by General Diaz, represented Italy; and General Bliss the United States. These military representatives had no executive power. This Supreme War Council met at the end of January, 1918, to consider the Allied plans for the ensuing year. The situation was very serious.

The exhaustion of the German army in 1917 had been more than offset by the collapse of the Russian army. Peace negotiations between Germany and Russia had been opened at Brest-Litovsk on December 22, and for some time past a steady stream of German divisions from the eastern front had been arriving in France and Belgium. France had no longer the men to replace her losses, and Pétain had been compelled first to reduce the strength of his divisions, and then to cut down the number of those divisions. Five British and six French divisions had gone from France to Italy. In the British army the losses caused by the fighting at Passchendaele and Cambrai had not been made good, and early in 1918 Haig was compelled to follow the example of the French and to reduce the strength of his divisions. In the summer of 1917 there had been 178 Allied divisions on the western front, opposed to 108 German divisions. At the beginning of 1918 the number of Allied divisions had fallen to 163, the German divisions had increased to 175. The reduction in the strength of the British and French divisions had been offset, to some extent, by a corresponding reduction in the size of the German divisions, but there were still large reinforcements ready to be transferred to France from the Russian front. The Allies could only obtain additional divisions for the western front by withdrawing them from Palestine, Salonika and Italy; but the British statesmen desired an offensive in Palestine, the French statesmen were opposed to any further weakening of the Macedonia front, and the Italian statesmen would not hear of any diminution of the Allied contingents in Italy.

DIVIDED COUNCILS

In these circumstances the Supreme War Council, recognising the need for a supreme military authority, formed a military executive committee composed of its military representatives with General Foch as President, the functions of this committee being to create a general reserve for the western front, to determine the location of that reserve, and to issue orders for its employment. Thus executive military command was placed in the hands of a committee, which is always objectionable, for a committee is very rarely able to act with the promptness and decision which is the essential feature of effective command, and instead of unifying the command on the western front it complicated matters by leaving the British and French Commanders-in-Chief in control of the greater part of their armies, while taking a part of their troops away from them and placing that part under an independent authority. This decision was a compromise, for the Allied



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Field-Marshal Earl Haig, O.M., K.T., Commander-in-Chief of the British Expeditionary Forces in France and Flanders, 1915 to 1919.



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Major-General Sir Charles Townshend, who in spite of lack of supplies held Kut el Amara for 143 days before surrendering to the Turks.



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Sir John French, later Field-Marshal the Earl of Ypres, O.M., K.P., who was Commander-in-Chief of the original British Expeditionary Force in France.

THREE FAMOUS BRITISH SOLDIERS

statesmen, remembering the unfortunate results of Nivelle's campaign, were not yet ready to agree upon a generalissimo. The effects of this unsatisfactory compromise at once appeared. Sir William Robertson was unable to agree to the principles involved in the creation of the Executive Military Committee and was removed from the position of British Chief of the Imperial General Staff, being succeeded by Sir Henry Wilson, whose place at Versailles was taken by Sir Henry Rawlinson. Nor did the difficulties end there. Towards the end of 1917 M. Clemenceau, who had become Premier of France on November 18, had brought great pressure to bear on the British Government to induce it to order the British army to extend its front in France. M. Clemenceau was so insistent that Haig, despite his protests, was directed to extend his right by relieving the French as far south as the Oise. This extension was carried out by Gough's 5th British army. In consequence of the additional burden thus thrown on the British army, and of the continual arrival of German divisions on his front, Haig represented that he could not supply the British contingent to the general reserve, and at a further meeting of the Supreme War Council in London on March 14 and 15, the formation of the general reserve was postponed. A week later the Germans made their great attack.

GERMANY'S GREAT OFFENSIVE

On March 21, after a short but very heavy bombardment, 64 German divisions attacked Byng's 3rd army and Gough's 5th army between Arras and the Oise on a front of over 50 miles, 40 of these divisions falling upon Gough's 14 divisions. Ludendorff had planned with skill, for he had placed his reserves so that they would be directed against the northern part of the British front or against the French front in the neighbourhood of Reims, as readily as they could be launched against the British armies which he actually attacked. The attack on those armies did not come as a surprise. Haig's Intelligence Department had predicted the actual day of the attack, but it was by no means certain that this would be the main German effort. The security of the Channel ports was vital to the British, and a successful advance by the Germans in Flanders might have had fatal consequences. Haig therefore felt himself compelled to keep his reserves north of the Somme; south of that river he could better afford to lose ground, and his troops in that quarter could be more speedily reinforced by the French. It was for these reasons that Gough's front was weakly held when the battle began. Under the pressure of overwhelming numbers Gough fell back behind the Somme.

Meanwhile the German attacks north of the Somme were being relentlessly pressed, and it had been agreed between Haig and Pétain that, in the event of the Germans attacking in force in that quarter, the French should take over the line south of that river. As early as March 22 the first French troops arrived to support Gough's right, but this reinforcement was insufficient to check the progress of the Germans. On March 24 the latter captured Peronne and the next day forced their way across the Somme near that town, having already got across both the Upper Somme and the St. Crozat Canal. It was in these conditions that General Fayolle arrived to take command of the battlefield south of the Somme, but, though two French armies, Humbert's 3rd and Debeney's 1st army, had been ordered up by Pétain, Fayolle had as yet no adequate assistance to bring to Gough. On Fayolle's arrival Haig had placed that portion of Gough's army which was north of the Somme under Byng. On March 25 the Germans drove in Byng's

new right, and compelled it to retire behind the Ancre, thus exposing Gough's flank and forcing him to withdraw to the outskirts of Villers-Brettonneux, on the main road to Amiens and less than ten miles from that town. The position was then highly critical. Haig, in view of the danger to his line north of the Somme, could send no reinforcements to Gough, and it appeared highly probable that, unless Pétain could support the 5th army at once, the Germans would get into Amiens and sever communication between the French and British armies. Pétain, in view of the rapid progress the enemy was making in the direction of Montdidier, felt it to be above all things necessary to bar the roads to Paris, and could not see his way to help Gough on the Amiens front. In these circumstances, on Haig's initiative, a conference was held at Doullens on March 28, at which it was agreed that Foch should be appointed to " coördinate the action of the Allied armies on the western front." And so unity of command, though in a somewhat tentative form, became a fact.

Foch's first object was to maintain connection between the French and British armies. Ludendorff's plan aimed at thrusting in a wedge between those armies. He had intended that his main effort should have been made north of the Somme, so that after driving back the British he might use that river, where it bends westwards from Peronne through a wide marshy valley, to hold off the French until the destruction of the British army was completed. But owing to the British resistance in the neighbourhood of Arras, the right of his great attack had become exhausted at an early stage of the great battle. Thus finding that his left was being unexpectedly successful, he changed his scheme and made his main effort south of the Somme in the direction of Amiens. But as Haig had foreseen, this part of the battle front was more easily strengthened by the French and to it Foch hastened troops by all and any means. On March 28 Ludendorff made a final effort to gain more room north of the Somme in a great attack on the right of Byng's 3rd army, and Horne's 1st army near Arras, but this attack failed with heavy loss to the Germans, and with this failure the attempt to separate the Allied armies was doomed. The German advance on Amiens south of the Somme was petering out from exhaustion, and the remnant of Gough's army, fighting with superb gallantry, was able to hold the lines of Villers-Brettonneux, while further south the Germans, after capturing Montdidier, were held up by the constant stream of French reinforcements which poured in from the south. The great battle ended with a final and unsuccessful effort of the Germans against the Franco-British front south of the Somme on April 4 and 5.

Four days later, on April 9, the Germans began a fresh effort in Flanders under the direction of Prince Rupprecht of Bavaria. The first German attack was made near Neuve Chapelle on a part of the line held by Portuguese troops, of which two divisions had since the summer of 1917 joined the British army. The Portuguese gave way, and the 1st and 2nd British armies in Flanders had been weakened in order to supply reinforcements for the 3rd and 5th armies on the Somme, so that at first the Germans made startlingly rapid progress. On April 11 they captured the Messines-Wytschaete Ridge, which Plumer had taken in the previous June, entered Armentières and Merville and on April 15 occupied Bailleul. Plumer was then compelled to shorten his front in the Ypres salient, and to abandon all the ground which had been won at such cost in the third battle of Ypres.

The British army then stood, to use Haig's phrase, " with its back to the wall " of the Channel coast. But the British soldier never fights more stubbornly than when he is in a tight place. A gallant defence on the right of the battle front saved Bethune and prevented the Germans from extending

their attack southwards. British reinforcements arriving in the nick of time stayed the enemy's advance in front of the important railway junction of Hazebrouck, while the French troops sent up by Foch were able to reinforce Plumer, who checked the enemy to the south of Ypres. There then ensued a short pause in the north, but on the Somme battlefield the Germans made on the 23rd another effort to capture Villers-Brettonneux, and were for a short time in possession of the village. Rawlinson, who had left the Supreme War Council and reconstituted the 4th army on the Amiens front, after the remnants of the 5th army had been withdrawn, saved the situation by a brilliant night attack in which troops of the 4th and 5th Australian divisions took a leading part. Villers-Brettonneux was recaptured and the road to Amiens was again closed. The Germans then resumed the battle in Flanders, and on April 25 captured Kemmel Hill, held at the time by French troops. This hill dominates the country between Ypres and Armentières, and had the Germans been able to extend their success by gaining the last of the Flanders ridges, which lie west of Kemmel, the British position would have become precarious. This they attempted to do on April 29, but the attack failed everywhere. On April 30 the French recaptured Locre, and the battle of Flanders came to an end.

In these two great battles the offensive power of the British army was for a time broken. That army had in six weeks suffered 350,000 casualties and had lost 1,000 guns and a vast quantity of war material. But the munition factories of Great Britain were fully developed, and the loss in material was made good with astonishing rapidity. It took longer to replace the men, but large drafts were hurried across the Channel from England, and troops were ordered to France from Palestine, Salonika and Italy, while in April a further military service Act extending the liability to serve was passed through Parliament. These measures might and should have been taken before the German attack was delivered, but that attack at least taught the lesson that no enterprise in distant theatres of war would suffice to protect the vitals of the Allies. That lesson once learned was applied with commendable promptitude, and the British army recovered from its reverses with the greater ease because Ludendorff left its lines undisturbed and turned his attention further south.

FOCH COMMANDER-IN-CHIEF — THE GERMANS AGAIN REACH THE MARNE

The Allies in general and Foch in particular had expected that the Germans would make another attempt to reach Amiens, or would try to complete the exhaustion of the British army. But the German troops both on the Somme and in Flanders were wearied with their efforts, and some of them during the recent battles had shown no great desire to fight. Ludendorff therefore decided to attack on a new front, and on May 27 the Germans assaulted the famous Chemins des Dames Ridge between Reims and Soissons. Here the Germans under the Crown Prince William effected a surprise, and advancing with 42 divisions against the 12 divisions of the 6th French army, overran the Chemin des Dames, forced their way across the Aisne, captured Soissons on May 29, and on the 31st reached the Marne between Dormans and Château-Thierry. But Foch, who on April 14 had been definitely appointed Commander-in-Chief of the Allied Armies in the west, had, as well as the British Government, been taking measures to strengthen the western front. General Pershing had at once placed at his disposal all the American troops available, which at the time consisted of two divisions. These divisions had gone into the front line near Montdidier, whence they were

transferred to a new battlefield, where they arrived in the nick of time to stop the Germans from crossing the Marne near Château-Thierry. Foch had also ordered back four French divisions from Italy, and had persuaded the Belgians, whose army had been reorganised and considerably strengthened, to extend their front as far as Ypres, thus relieving the British troops and enabling him to withdraw the French reserves which he had placed north of the Somme. With these reinforcements the third great German attack of the year was brought to a standstill.

The Germans had now created two great salients on the western front: one the result of the March battles, with its head at Montdidier; the other, the outcome of the attack on May 27, with its head at Château-Thierry. On the map the Allied position appears highly critical, for in the north the enemy was almost at the gates of Ypres and no great distance from the railway junction at Hazebrouck; from his lines near Villers-Brettonneux he could bring the still more important railway junction of Amiens under effective artillery fire, while at Château-Thierry he was within 40 miles of Paris where the gravest anxiety prevailed. But the danger period was passing, for the British army was growing in strength as reinforcements reached it from the distant theatres of war, and American troops were coming across the Atlantic, at first at the rate of 120,000 a month, increased in July to 200,000 a month, a result made possible by the amount of British shipping placed at the service of the American army, shipping set free because the British people cheerfully agreed to drastic reductions in the import of supplies. So when the Germans made their fourth attempt of the year, designed to join up the salients of Château-Thierry and Montdidier by the capture of Compiègne, Foch was ready for them. The battle of Lassigny began on June 9 and ended on June 13, with the Germans well to the north of Compiègne, having gained little in return for the heavy losses they had sustained

TREATY OF BREST-LITOVSK

While the great struggle was being fought out on the western front, comparative calm had prevailed elsewhere. On March 3 peace between Russia and the Central Powers was signed at Brest-Litovsk, and on the next day peace was also concluded with Rumania; so that the Germans were free to withdraw from the eastern front all troops fit to go into the line in France and Belgium. Early in April a small German force landed in Finland, where Finnish forces under General Mannerheim were opposing the Bolshevist elements, while in Siberia anti-Bolshevist Russian troops had been joined by a division of Czechoslovak troops composed from prisoners found in Russia. To give support to these various elements a British expedition was landed at Murmansk on the coast of the White Sea in May.

In the following month more serious events occurred in the Italian theatre of war. The Austrian army had been in a great measure reconstituted by the arrival of many hundred thousand prisoners of war released from Russia, and on June 15 it began a great attack on the Italian army, which extended from the mountain front in the Alps and along the Piave River almost to its mouth. The attack gained some initial successes and the Austrians got across the Piave in some places, but they were soon checked, and had to retreat over the river with very heavy loss. This defeat had a very depressing effect both in Austria and in Hungary, where the people had long been weary of the war. The Bulgarians were no less weary, and in Germany itself signs of discontent were multiplying, but Ludendorff was not aware of the temper of his weapon, and had planned a final great

attack, grandiloquently called the Friedensturm — the assault that brings peace. It took the form of an attack east of Reims combined with another west of that town on the southern front of the Château-Thierry salient.

THE SECOND BATTLE OF THE MARNE

This second battle of the Marne started on July 15. The attack to the east of Reims failed completely before the skillful defence of General Gouraud, that in the Château-Thierry salient at first made some progress, but on July 18 a counter-blow which Foch had prepared against the German flank between Château-Thierry and Soissons, a blow delivered by the army of General Mangin, under whom fought two American divisions, took the Germans by surprise. Mangin succeeded in cutting the railway communications south of Soissons, upon which the supply of the German troops in the Château-Thierry salient largely depended, and they were compelled to fall back across the Marne. A series of combined attacks, delivered against the southern front of the salient by six American divisions; against the western front by Mangin strengthened by two British divisions sent down by Haig; and against its eastern front by Berthelot, also strengthened by two British divisions, and with the aid of two Italian divisions, which had arrived in France some time before, drove the Germans out of the salient and across the Vesle; the battle ending on August 4, with Paris relieved of all danger.

Foch then proceeded to put into execution plans that he had for some time had in mind. He was aware that the Germans, though growing weaker, still had strong reserves, and until those reserves were further weakened he had no intention of engaging upon a great attack designed to break through the enemy's line. Indeed at this time the general view among the Allies was that it would be prudent to await until 1919 when the American army would be in great strength, before attempting a decisive effort against the Germans. Foch's intention was rather to continue the process of exhausting German power by a series of limited attacks, planned so as to free from the enemy's grasp some of the more important railway communications.

FOCH'S POLICY OF LIMITED ATTACKS SUCCEEDS

This series of attacks was begun by the British army on the Amiens front on August 8. That army was now in possession of a new type of tank which was a vast improvement on the early models. Of these tanks 400 cleared the way for the infantry advance, and demoralised the German defence. The attack was delivered astride the Somme by the 4th British army under Sir Henry Rawlinson, while Debeney's 1st French army extended the battle to the right. In the centre the Australians and Canadians overwhelmed the German divisions opposed to them, and on August 12 Rawlinson's front was established before Chaulnes, and he had captured 22,000 prisoners and 400 guns. Foch, delighted with this success, urged Haig to press forward through Chaulnes on Peronne. But Haig finding the German resistance in front of Chaulnes to be growing stronger, and suspecting that Ludendorff was endeavouring to repeat his manœuvre of 1917 and to retreat into the Hindenburg line, persuaded Foch to extend the front of battle farther northwards. This decision, in the event, made possible victory in 1918, for Haig throwing in his 3rd army on the left of the 4th in ten days drove the Germans across the old Somme battlefield with the loss of 34,000 prison-

ers and 270 guns. Then on September 2 with his 1st army he attacked on the Arras front and broke through the northern extension of the Hindenburg line, taking 16,000 prisoners and 200 guns, while between September 12 and 19 the 3rd and 4th armies drove the Germans back into the shelter of the Hindenburg system, taking 12,000 prisoners and 100 guns.

THE AMERICANS CAPTURE THE ST. MIHIEL SALIENT

Ere this was achieved the American army had brought to a conclusion one more of the limited attacks which Foch had planned. For attacking the salient of St. Mihiel on September 12, they had by the evening of the 13th completely obliterated the salient, and taken from the enemy 16,000 prisoners and 443 guns. The effect of Foch's policy of limited attacks, and of Haig's bold extension of that policy after the battle of Amiens, had been to change completely the balance of power on the western front. The Germans had lost enormously in men and in material, both in the failure of their great attack in July, and in the many defeats they had suffered since, and Ludendorff had been obliged to break up no less than 20 of his divisions to keep the remainder up to strength. The German reserves of 66 divisions in May had fallen to 19 in September, and the successes of the Allied tanks had had a great effect upon the German infantry.

While the Germans were weakening both in numbers and in *morale* the Allied troops were flushed with victory, and their numbers were mounting up; for in March Pershing had only been able to offer Foch two divisions, but now he had 24, each double the strength of a German division, ready to go into battle; and the British army had made good the losses in men and in material which it had suffered in the spring.

Foch had already planned that the first series of attacks which ended with Pershing's capture of the St. Mihiel salient should be continued by an attack by Gouraud's army and the American army, on either side of the Argonne Forest, and that this should be followed by an offensive by the Belgian army and by Plumer with the 2nd British army on the Ypres front. The question was whether these two attacks should be limited efforts, designed to continue the process of exhausting the enemy's reserves, or whether they should be a part of the great general offensive on the western front. For the latter it was necessary that the British army should assault the Hindenburg system. A failure to break through that vast system of defences would certainly have been very costly and might have broken the high spirit of the British army. But the British Commander-in-Chief was confident that the moral superiority which his men had established over the enemy would be decisive, provided he struck at once. He was in no mind to give Ludendorff the chance recovery which had been allowed him after the battle of the Somme. He therefore decided to follow the attacks of Gouraud and the Americans immediately by an attack towards Cambrai and St. Quentin.

CONTINUED ALLIED SUCCESSES

The great battle began on September 26 with the attacks of Pershing's Americans and Gouraud's Frenchmen on either side of the Argonne. Both attacks gained a considerable initial success, but were then checked for a time by the stout resistance of the Germans. On September 27 the 1st and 3rd British armies began the second battle of Cambrai by attacking the

German front north and south of that town. While these armies were forcing their way through the Hindenburg defences, the battle of Flanders began on September 28. In that battle the Belgian army, reinforced by the French 6th army, which Foch had withdrawn from the centre and sent northwards, and the 2nd British army, attacked the front between Dixmude and Messines, which the enemy had weakened in order to meet Haig's attack upon Cambrai, and in 48 hours had won back the whole of the Flanders ridges, which in 1917 it had taken three months of fierce and bloody fighting to gain. Then on September 29 Haig in the battle of St. Quentin struck his decisive blow with Rawlinson's 4th army, in which the 2nd American Corps had been incorporated, while Debeney's 1st French army coöperated on his right against the town of St. Quentin. Rawlinson's men after a stupendous bombardment in which more than 1,000,000 shells were fired at the enemy's lines, broke across the Canal du Nord, which formed the core of the German defences. In the nine days of tremendous battle the 1st, 3rd and 4th British armies broke clean through the Hindenburg system, while the 1st French army, advancing triumphantly on their right, entered St. Quentin.

The effect of this gigantic battle was immediate. On September 29 Hindenburg pressed the German Government to open at once negotiations for an armistice. Owing to political difficulties there was delay, but events in other theatres of war soon helped to convince the statesmen in Berlin that Hindenburg's advice should be followed.

COLLAPSE OF BULGARIA AND TURKEY

During the summer of 1918 information reached the Allies that the *morale* of the Bulgarian troops had very notably declined. It appeared probable that Bulgaria would not fight stoutly to support a falling Germany, so it was decided to make a general attack on the Macedonian front. This attack was begun on August 15 by the Allied forces under General Guillaumat, who had succeeded Sarrail in command. The Serbian army, attacking with great gallantry, broke through the Bulgarian centre and, following this success with a relentless pursuit, entered Ishtip and Veles on September 25. The Bulgarian Government then asked for an armistice, which was concluded on the 29th, hostilities between Bulgaria and the Allied Powers ceasing at 12 noon on the 30th. The collapse of Turkey was as rapid. During the summer the British troops withdrawn from Allenby had been replaced in Palestine by Indian troops, and, the reorganisation of his command completed, Allenby prepared to attack the Turkish lines north of Jerusalem. On September 19 Allenby broke through the Turkish lines so successfully that on the first day of the battle he was able to pass his fine force of cavalry along the coast round the enemy's flank. On the 20th the cavalry entered Nazareth, and swept round the enemy's rear, while the infantry drove forward through the hills of Samaria. The Turkish retreat became a rout; on the 30th the pursuing cavalry captured Damascus, and the Turkish army in Syria ceased to exist as a fighting force. Simultaneously Sir William Marshall, who had succeeded to the command in Mesopotamia on the death of Maude, advanced in that theatre of war. On October 25 he defeated the Turks at Kirkut, on the 30th the Turkish army on the Tigris surrendered to him and on November 3 the British troops were able to enter Mosul without opposition. Ere that had happened the Turks had sent in their plenipotentiaries to negotiate an armistice which was signed at Mudros on October 30.

CONTINUOUS ALLIED ATTACKS ON THE WHOLE WESTERN FRONT

To return to the western front, Foch's attacks had compelled the Germans in the intervals between the fronts of battle to withdraw. On October 13 the French entered Laon, and on the 17th the British occupied Lille without firing a shot. The time had come to press the Germans everywhere and with all available means. Already on October 10 Foch had issued instructions directing the Belgian army to advance to Bruges, the British armies upon Maubeuge and Mons, and Gouraud and the American armies upon Mezières and Sedan, the purpose of this advance being to cut the enemy's main lateral line of communication, the railway connecting Brussels, Maubeuge, Mezières, and Sedan, and to drive the Germans into the Ardennes forest. In pursuance of this plan the British 1st, 3rd and 4th armies began on October 13 the battle of the Selle, in which, though the enemy was strongly posted behind a river in flood, his resistance was again broken, and by October 25 the British had forced the enemy well back from the river, and had reached the outskirts of Valenciennes and Le Quesnoy and the southern edge of the Mormal forest. Simultaneously King Albert on the right had pressed forward into Belgium, and driving the Germans back behind the Scheldt, entered Bruges on October 19, and by the next day cleared the whole of the Belgian coast.

On the southern front of battle there was no question of a German retreat, and the Americans had to fight very hard to clear the difficult country in which they were operating and to push the Germans back into the Kriemhilde lines, the southern extension of the Hindenburg system. On their left Gouraud had also to overcome a stubborn resistance, and it was not until the middle of October that he was ready to attempt the passage of the Aisne, which he did on October 16, when he stormed the heights of Vouziers and captured Grandpré. On the 16th, 17th and 18th the Americans in a series of fierce attacks broke through the Kriemhilde lines. The last German defensive systems were then pierced. Then while continuing his great drive to the north-east in order to force the Germans back behind the Meuse, Foch prepared for an attack by part of the American army and the French armies of his right, eastwards on either side of Metz, which should turn the line of that river. But before the latter attack had more than begun, the end came. The news that the Americans had broken through the Kriemhilde lines, that the French had forced their way across the Aisne, and that the British had driven the enemy back from the Selle, decided the Government in Berlin to hasten negotiations for surrender. On October 26 Ludendorff tendered his resignation, which was accepted.

AUSTRIA COLLAPSES

Of Germany's allies there remained only Austria. The position of the Italian front had undergone little change since the defeat of the Austrian attack on the Piave, and it was on that river that the battle which completed the downfall of Austria began on October 21. In that battle the British troops under Lord Cavan had the honour of leading the way across the river, and the Austrian resistance was broken decisively by General Diaz, as was that of the Turks by Allenby. On October 27 the Austrian Government sued for an armistice, and on November 1 revolution broke out in Vienna. The armistice between Austria-Hungary and the Allies was signed on November 3.

FINAL ALLIED ADVANCES

While the German Government was preparing to send emissaries to Foch, the latter was ordering his armies forward on their last advance. Behind the Germans now lay the forests and mountains of the Belgian and Luxemburg Ardennes, traversed by a few roads and washed by the Meuse with comparatively few crossing places. If the British armies could cross the Meuse between Namur and Dinant, there was good prospect that the retreat of the Germans through Northern Belgium would be cut off, and that they would be forced back against the Dutch frontier. If the German centre had not made good its retreat before Gouraud and the Americans captured Mezières and Sedan, it was in danger of being cut off. This was the position of which Foch proposed to take advantage by continuing his main advance. So on October 31 King Albert resumed his advance in the north, and in four days reached the outskirts of Ghent. On November 1 the British attacked in the battle of the Sambre, when their 4th army on the right broke across the Sambre Canal and seized Landrecies. Their 3rd army, attacking simultaneously, occupied the old fortress of Le Quesnoy, and on November 3 the left of the 3rd army and the right of the 1st encircled Valenciennes and captured that place. Debeney's 1st French army on the right of the British also forced its way across the Somme in the neighbourhood of Guise, and keeping pace with the British entered Avesnes. On November 1, too, Gouraud and the Americans started on their final effort and made a great spring forward beyond the Kriemhilde lines. On the 6th Gouraud captured Rethel with his left, and on the same day the Americans, following up the retreating Germans with extraordinary vigour, entered Sedan, the objective allotted to them by Foch. On the evening of November 10 Gouraud's right had reached Mezières, and the German centre, in order to escape, had to abandon masses of guns and military stores. But ere this the German plenipotentiaries had crossed the Allied lines and were in conference with Foch. By a curious stroke of fortune the war ended with the British army on the very ground where it had first encountered the Germans in August, 1914, for on November 11, a few hours before the Armistice became effective, the Canadian Corps of the 1st British army entered Mons, the scene of the first Anglo-German battle of the war.

WAS THE ARMISTICE PREMATURE?

The question has often been asked: was the Armistice premature? The view commonly held, that it was imposed upon the soldiers by statesmen anxious to end the war, has no foundation in fact. The Armistice was concluded upon the advice of Foch who had consulted the Allied Commanders. Their armies had on November 11, 1918, reached the limit beyond which immediate advance was not possible, the destruction of the roads and railways, scientifically carried out by the Germans in their retreat, being so complete as to make it impossible to bring forward supplies for the Allied armies if they continued to advance. A halt approximately on the line reached on November 11 would have been necessary until the communications had been to some extent restored; such a halt might have given the German troops time to recover to some extent and to establish themselves either behind the Meuse or behind the Rhine, in which event there would have been further fierce fighting with heavy loss of life. Foch, it is true, had prepared for a possible German stand behind the Meuse and had planned

an advance into Lorraine on either side of the fortress of Metz. This advance, which was to be carried out mainly by American troops, had actually begun when the Armistice came. But this advance too would probably have involved heavy fighting and much destruction of property which is to-day intact in the hands of the French. In these circumstances, Foch reasoned that if he could impose such terms upon the Germans as would leave them militarily helpless, he had no right to risk the loss of another life. The terms of armistice accepted by Germany required the surrender of almost the whole of her fleet, of 5,000 guns, 25,000 machine-guns, 3,000 bomb-throwers, 1,700 aeroplanes, 5,000 locomotives, 150,000 railway waggons and 5,000 motor lorries. Since the beginning of July, 1918, the Germans had lost in battle close on 7,000 guns and vast quantities of war material of all kinds, so that the surrenders required of them by the Armistice terms were sufficiently large to make further resistance impossible. That the Allied Commanders were not wrong in their judgment has been proved by the event, for despite periodical alarms as to Germany's secret armies and secret stores of munitions, she has never even attempted to resist by force any demand that has been made on her. The logical conclusion is that she has never felt able to do so. The difficulties which have arisen in Europe since the war cannot be fairly ascribed to a premature cessation of hostilities, though it is possible that some of them might have been obviated by a more extensive occupation of Germany in the first instance. This, on the other hand, would have delayed demobilisation, and the men who had fought and survived were naturally clamouring to return to their homes that they might resume the occupations of peace. I am not here concerned with the conditions of the Versailles Treaty of Peace, which may or may not be a contributory cause to the distresses of Europe; but it is indubitably the case that the sacrifices which the World War required were so colossal that no rapid recovery from them would in any circumstances have been possible. The fourteen nations which took an active part in the World War together suffered 42,000,000 casualties, and the number of their dead amounted to 8,246,471. The expenditure of treasure almost defies calculation, and the destruction of property was on a scale never before approached in war. During the great battle at the end of September, 1918, the British army, fighting upon about a third of the whole battle front, fired in one week £10,000,000 worth of shells. These tremendous losses, human and material, can only be made good by years of patient effort. The main purpose for which the war was fought by the Allies, the crushing of the military power of Germany, has been achieved, but at a price which has left the victors only less crippled than the vanquished.



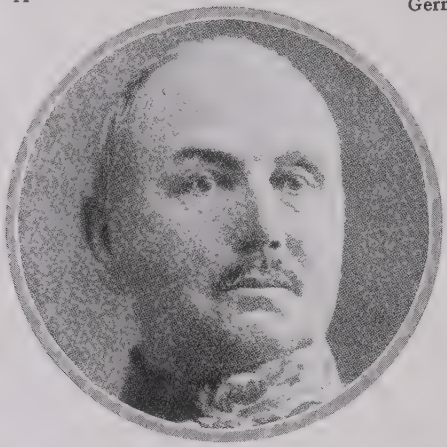
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Ex-Crown Prince Rupprecht of Bavaria



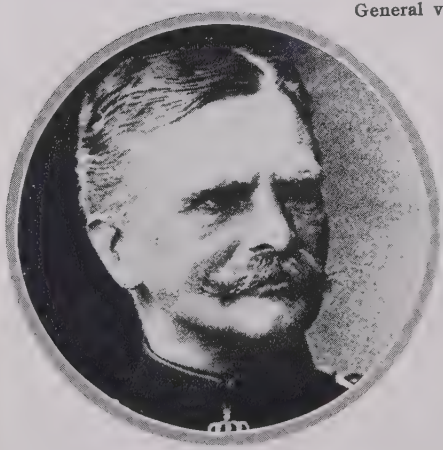
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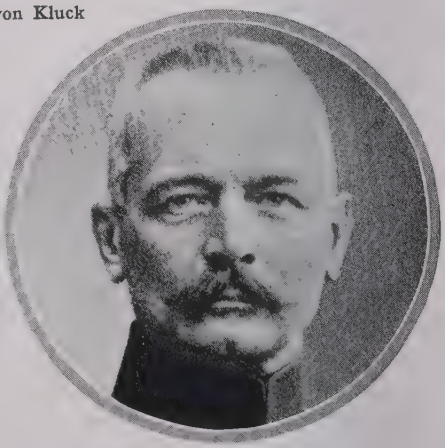
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General von Falkenhayn

LEADING GENERALS WHO DIRECTED THE GERMAN ARMIES

CHAPTER IX

GERMANY NEVER DEFEATED!

By Major-General Erich Ludendorff

Chief Quarter-Master-General. Author of *Ludendorff's Own Book.*

In the speech from the Throne, with which the Emperor William I opened the first German Reichstag, on March 21, 1871, he greeted the newly constituted German Empire as being a trustworthy guarantee of the peace of Europe.

Thirty years later Prince Bismarck writes in his *Reflections and Reminiscences:*

"Germany is the only Great Power in Europe which pursues no aims save those attainable by the way of peace, whilst Germany's neighbours are pursuing, either openly or in secret, aims which can only be realised by means of war."

Bismarck's aim was the consolidation of the newly formed empire and the maintenance of peace, and the means which he used were his wonderful policy of alliance and its inevitable corollary — the development of the German army.

The natural increase of the trading and industrial population was accompanied necessarily by the increase of the landless population. Both of these reacted upon one another, since the overflow of the population found itself without fixed abode, and emigration had almost ceased. This growth of the population forced Germans to seek an outlet beyond the confines of their own country. They sought and found markets and colonies; and they needed, for the maintenance of their ever-increasing population, strength at sea — *i.e.*, a fleet as well as an army, in order to protect their trade and foreign possessions as well as to keep the seas open in case of war. Aims of world-policy were in no way involved in this. The people desired only to live in peaceful competition with other nations; the maintenance of peace was still their non-political aim, and this was also the policy of the German Government. At the same time they never suspected that their thoroughness, their industry and their capabilities would be regarded by other nations as an inconvenient source of rivalry in the markets of the world, and of which they must make every effort to rid themselves. The German nation remained also under a delusion as to the real intentions of its immediate neighbours, and did not perceive that it would ultimately be compelled to fight for its bare existence. It failed therefore to draw the right conclusion, namely, that the development of its own strength was the only real security for its existence.

GERMANY FAILS TO PREPARE

Large masses of the German people believed, on the contrary, that the maintenance of peace required not so much the development of strength as the pursuit of extensive non-political aims and a lofty moral mission. The

lack of both of these was engendered by the absence of a feeling of nationality, and by the material and entirely economic tone of the Government's policy. This gave room for international tendencies — nothing short of treasonable, which, intentionally or not, furthered the propaganda of enemies who were intent on destroying Germany and had found many points at which they could weaken their adversary internally; and these tendencies brought dissension among the people.

Under Bismarck's successors the development of military strength was left far behind the growth of the population and the increase of material prosperity. Universal military service was no longer enforced. Thus it came to pass that in 1912 Germany enrolled only 54 per cent of her fit young men, whilst France, in spite of a considerably lower standard of fitness, enrolled 82 per cent. And so in the year 1912, 150,000 to 200,000 fit men in Germany were not enrolled. Even though the recruits enrolled in former years had been weaker, there occurred a falling-off in this year of considerably more than 1,000,000 trained men, *i.e.*, 70 divisions or more. In the financial sphere conditions were very similar. The united effort for national strength remained far below its possible point of attainment. Thus the German Government had abandoned what had been the foundation of the policy of the Emperor William I and Bismarck, and had also withdrawn their support from a far-reaching policy of alliance, which was voluntarily given up by the Chancellor Caprivi through the non-renewal of the defensive alliance with Russia.

The alliance with Austria-Hungary and Italy was entirely a political one. The latter did not prove a trustworthy Ally; Austria-Hungary and Germany stood by each other for better or worse. The military strength of Austria-Hungary was likewise far below its possible point of attainment, both in numbers and material. Unfortunately, the German statesmen regarded this as a matter merely affecting Austria-Hungary, instead of seeing clearly that the existence of the German people was also vitally dependent upon it.

COALITION AGAINST GERMANY

It followed, as a natural consequence, that the falling off in the armaments of both countries and the instability of the alliance with Italy excited a desire for war on the part of Germany's enemies. The same effect was also produced by (among other things) the growth in Germany of social democracy and the fight against "militarism"; and in Austria-Hungary, of differences among the various nationalities. Fear of the German sword vanished. Enemy propaganda became busy. The peril of war increased in Europe. In spite of conflicting interests, both political and military, France, Russia and England united together in the one great desire to annihilate Germany and Austria-Hungary. Belgium and Serbia joined them. Italy and Rumania, while biding their time, inclined towards the *Entente*. This last became a definite military alliance. The German Government was powerless against it, and continued to vacillate between seeking support from Russia and from England — falling at last between two stools. And what was worst of all, it omitted even at the last moment to use all means in its power in order to bring the military strength of Germany and Austria-Hungary to its utmost point of development, which was the only possible reply to its enemies' schemes for annihilation. Again, it also neglected to institute a propaganda which should show the deluded world where "militarism" was to be found, and who alone would be guilty if the threatened war were to break out.

The General Staff had much cause for anxiety. In my position as head of that department on the General Staff which was responsible for mobilisa-

tion and the preparation for campaigns (*Aufmarsch-und-Mobilmachungsabteilung*), I attempted, in the autumn of 1912, after overcoming many difficulties, to raise the strength of the nation to its highest possible point; also, among other things, to bring about the enforcement of universal military service and the formation of three additional Army Corps.

The last organic army law in Germany, which was passed on June 30, 1913, in spite of opposition on the part of the Social Democrats, proved a useless encumbrance to the General Staff; who felt more and more acutely that it was faced with the task of making good on the field of battle the negligence of the Government's policy in every department. The enemy saw clearly the position of Germany and Austria-Hungary, though this was not known to the world at large. The latter only saw what enemy propaganda taught it to see (there being no German propaganda); it saw one thing more, however, namely, the incomparable German army and the German navy, eager to prove themselves. These institutions, under the auspices of the Supreme Military Command, had become schools for moral training as well as for warfare, where the highest degree of human perfection was attained; and (thanks to the rejection — so disastrous for Germany — of universal military service), these schools were not attended by all the fit young men of the country.

At the end of July, 1914, when war broke loose through the action of Germany's enemies, Germany found herself without a definite war aim, with no clear idea of the difficulties ahead, insufficiently armed, but with a first-rate army and navy. Contrary to enemy expectations, the nation went to war with determination and enthusiasm. It now became a serious question for Germany whether the German army, with its superior qualities, supported by the German navy and the military strength of Austria-Hungary, would, fighting on interior lines, be able alone to meet and destroy enemy forces (both east and west), which were far superior in numbers. The numerical superiority of the enemy was indeed considerable. The proportion on land was two to three or two to three and a half; at sea it was even more unfavourable.

A swift and shattering blow was only possible by mustering the strongest available forces against France, and then only by causing the right wing of the army to march through Belgium, with its centre of gravity north of the line Liége-Namur; so as to circumvent in this manner the French eastern front with its fortifications, and give battle to the French army in the open, and this presumably under conditions favourable to ourselves, *i.e.*, with our own strong right wing encompassing the weak left wing of the enemy. Numerous manœuvres by the General Staff had repeatedly testified to the soundness of these views; and they had been laid down, in the event of a campaign, by Count von Schlieffen, who had always held by the theory of annihilation in warfare.

THE VIOLATION OF BELGIAN NEUTRALITY

The violation of Belgian neutrality was a stern necessity — a tragic expedient due to the force of circumstances; though as a matter of fact there was no doubt whatever in military circles as to the hostile attitude of Belgium and England.

These considerations formed the basis of the campaign of 1914 between Aix-la-Chapelle and Strassburg. Of the German divisions available, 70 infantry and 10 cavalry divisions advanced in the west, one cavalry and nine infantry divisions advanced in East Prussia, and six newly-formed infantry

divisions were held in reserve for the west. As far as the west was concerned a greater concentration of force seemed inconceivable, yet this was not sufficient to secure for Germany a numerical superiority on the western front, especially since Italy (through her inaction, which was indeed expected) did not necessitate the diversion of any French troops.

It followed of necessity that the numerical proportion on the eastern front was most extraordinarily unfavourable. The Russian forces were more than twice as strong as those of the Central Powers. Conditions here were all the more unfortunate as Austria had sent a considerable number of her forces against Serbia, in order to effect a *coup* in that quarter. The union of the Central Powers for a joint campaign in the east had certain weak features. A strategic offensive by the Austro-Hungarian army in eastern Galicia, as it was actually planned, formed part of the general scheme for a joint action. The only course to take in these circumstances was similar to the one actually taken later by the 8th German army in East Prussia — namely to strike bold determined blows, taking advantage of the enemy's weak points. Our plan was thus to hold the common front until, having gained a decisive victory in the west, we might attempt the same against Russia.

THE PLANS OF THE GERMAN GENERAL STAFF

As part of the scheme for this campaign on land it was intended that the German navy should take action in order to prevent the transport of British troops to France, and at the same time to weaken the British navy to such an extent as to render it incapable of carrying out an extensive blockade of Germany from the north of Scotland. Notwithstanding its inferiority in numbers the German navy would have been equal to the task. These plans were abandoned owing to a lack of agreement with the General Staff, and to mistaken views as to strategy, and above all owing to the policy of the Chancellor, who still doubted the sincerity of England's desire to fight, and feared that a battle at sea would provoke her unduly. The Austro-Hungarian navy was not strong enough to be entrusted with undertakings of strategic importance.

In spite of their weak features, the plans laid down by the General Staff for the war as a whole were on a gigantic scale, such as had never been known before in the history of the world; and were, moreover, the only possible means of saving the life of Germany and Austria-Hungary. It was hoped that in spite of inferiority in numbers, German leadership and the German army would be able quickly to accomplish their object in the west. This was also of importance owing to the fact that economic preparations had been entirely inadequate. No general scheme had yet been agreed upon as to these preparations, although the General Staff had urged the country seriously to consider what should be done in this respect. A long war was considered impossible by the economic departments of the Government.

On the side of the *Entente* it was assumed that Germany would make an attack on France through Belgium. The French army, with the English on its left wing, was to effect a counter-attack on the German army by way of Lorraine and Belgium, south of the line Liége-Namur. An offensive by the great mass of the Russian army was of course expected. Its main forces were to engage the Austro-Hungarian army in eastern Galicia; and were to be reinforced from the direction of East Prussia by two powerful armies coming from the Niemen and Narev; and Germany and Austria-Hungary were, on land, to be literally smashed to pieces.

The British fleet was to protect the transport of British troops to France,

also to carry out an extensive blockade. Instead of attacking the German fleet it was to blockade closely the German coasts in the North Sea and the Baltic, preventing any approach to Germany by sea. The French fleet was to secure the transport of troops from Africa to the south of France, and the Russian fleet was to control the Baltic.

THE ADVANCE THROUGH BELGIUM

Operations in the west began by the *coup* at Liége, which secured a free passage for the advance of the German army through Belgium. The German advance through Belgium north of Metz, with 54 divisions of infantry and seven of cavalry, took the form of a broad encircling movement to the left, with its pivot somewhere near that fortress (Metz). The Belgian army retreated towards Antwerp; the English and French armies advanced from the opposite side, attacking in various places, but were surrounded on the extreme left wing, thrown back and forced to retreat. The German troops then between Metz and Strassburg, *i.e.*, 16 infantry and three cavalry divisions, which were intended to cover the left flank of this movement, were reinforced by six divisions from the army reserve and dealt a blow at the attacking French forces which were far superior in numbers. At no place, however, did the German troops obtain a crushing success; a decisive battle had yet to be fought, and it was necessary to concentrate troops for that purpose. Troops which had been fighting in Lorraine were to be brought by train as far as the extreme left wing of the army, and then to advance on foot through Metz, and to reinforce the left wing of the fluctuating front line. In this way the German army west of the Meuse was to serve as an extension of the main forces, the centre of their objective being to the west of Paris. This might have been accomplished without difficulty. However, the High Command allowed the troops in Lorraine to follow up the enemy they had defeated, and muster before the line of fortresses of the Moselle and the Meuse. The High Command had even weakened the right wing which was seeking a decisive battle by withdrawing two army corps from Namur in order to send them to East Prussia where the Russians seemed to be making victorious advances. Thus the German army advancing in France was deprived of its weight on the right wing, and was unable to reach Paris.

BATTLE OF THE MARNE

The French army seized the opportunity of surrounding the German right wing, which was marching unconcernedly by, to the east of Paris; and at the same time the armies along the front as far as the Meuse opened a fresh attack. The battle of the Marne was lost, notwithstanding decidedly successful tactics, because the German High Command itself was not in control, and the General Staff of the Second army did not shew sufficient firmness. Up to this time the brave German army had made up for all inefficiencies on the part of the leaders and had shown itself worthy of its great tradition. Now, however, its right wing was obliged to retire far back. German operations in the west were wrecked, and with them the plan for the whole war. The hope of gaining a victory with this magnificent army — trained in peace time — had not been realised. The German High Command was guilty of mistakes from which no one can exonerate it. But the weaker one is, the more fateful the mistakes. It has been truly said

that God is with strong battalions; and strong battalions were not given to the High Command, owing to the fact that military strength had not been developed to its full capacity in the days before the war.

ON THE EASTERN FRONT

In the east, initial failures had been the cause of the fatal weakening of the German right wing in France. However, after the appointment of Field-Marshal von Hindenburg as Commander-in-Chief, the 8th army which was engaged in East Prussia held its position there through heavy fighting. The army was obliged, by moving from place to place, to do the work of several. In October its bold operations gave to the brave Austro-Hungarian army, after the latter's defeat in eastern Galicia, fresh power of resistance in south Poland, and in November it made an attack along the Vistula toward north Poland against the right wing of the Russian army, which was sweeping down from Warsaw to the Carpathians; this brought the Russian advance to a standstill.

The opportunity of following up this last action so as to bring about a defeat of the whole Russian army which would decide the war, was allowed to go by, because the German High Command, now under General von Falkenhayn, failed to supply reinforcements from the west. The army reserve, nine divisions which had been formed and made ready at home, was ordered by the High Command to the west — to Ypres. In France, after the battle of the Marne, each side wished to secure the northern flank. Action at the front became weaker. The blow at Ypres was intended to carry the operations as far as the river, according to the original plan; but it proved a failure. In the east there were not enough forces for a decisive campaign. All the same, the strength of the first Russian onslaught had been broken; and by this failure the *Entente* saw its plan of operation shattered, in the same way as the war scheme of the Dual Alliance had already failed.

A LONG WAR

Thus, for both sides the duration of the war seemed incalculable; it was destined to penetrate ever deeper into the life of the nations and to make ever-increasing demands upon individuals. The conduct of the war depended more and more vitally on the numbers of men available, material resources, and the spirit of the belligerent nations. The enemy possessed more men and material. The particular menace to the Central Powers lay in the economic blockade which England was carrying on contrary to international law, the effects of which became more acute as time went on. It was now a question whether the spirit of the peoples in the Central Empires would still rise superior, and whether Germany in particular would retain the enthusiasm with which she had entered the war, or whether those forces would assert themselves which had been known to give trouble even before the war.

As far as Germany was concerned, General von Falkenhayn and the Imperial Government were considering after the battle of the Marne whether it would not be more advisable to wind up the war as quickly as possible; but they were obliged to abandon this idea, as there was no alternative open to them in the face of the determination of the *Entente* to fight to a finish.

A WAR OF LIMITED OBJECTIVES

Now that war was to continue, General von Falkenhayn saw clearly that it was essential for the Central Powers not to succumb to military or economic exhaustion sooner than their opponents, and that they should make every effort to avoid any premature laying down of arms. This led him more and more to aim at limited objectives, the taking and holding of which would be possible without extreme effort or a drain on reserves. He purposely renounced the idea of inflicting a crushing defeat on the enemy, and only aimed at successes whereby he could "hammer" at his opponents, forcing them to pay the price of our superiority, however little they might be able to afford this — successes best calculated to injure them more than ourselves. These limited objectives were to be taken at the first attack, not after a prolonged defence. General von Falkenhayn hoped that by this means the enemy would gradually be exhausted and brought to such a state of internal weakness that he would be willing to come to an understanding.

The fleet was likewise to assume a waiting attitude; which decision deprived Germany of an essential part of her resources for waging war. This situation was, moreover, not changed by the battle of Jutland.

At the same time people in Germany had no true conception of the character of the war, so that the measures taken in the country itself for the continuance of it were by no means adequate in view of the serious situation. For one thing, no attempt was made, even at this point, to enlighten the nation and call on it to sacrifice everything for its own salvation. Also, no use was made of propaganda as a means of waging moral warfare against the hostile nations, and thus an important weapon was neglected.

THE ENEMY DESIRES TO ANNIHILATE US

In all the measures which he took, the enemy was dominated by the desire to annihilate. The British fleet, merely by its presence, maintained the hunger-blockade against Germany. In addition to this the enemy people at home were goaded into hatred of their opponents, a systematic propaganda was carried on against the spirit of the nations of Central Europe, who were physically weakening; and on land, both in the east and the west, attacks were continued in the hope of a decisive victory. In the winter of 1915 Russia was still of primary importance in the enemy plans. She intended to conquer East Prussia; and to force back the weakened Austrian army from the Carpathians into Hungary. Anxiety about the Austrian army hindered the German High Command still more in the formation of its plans, though, knowing as it did the real nature of the war, it even now found it hard enough to make any definite decision. At the moment, German forces were able to hold the front in the Carpathians, and Field-Marshal von Hindenburg with reserves sent by the High Command succeeded after a fierce battle in checking the Russian advance in East Prussia. Conditions on the Austro-Hungarian front were, however, gradually becoming so difficult that the German High Command decided of necessity to undertake the famous break-through between Gorlice and Tarnow. This offensive gradually assumed broader proportions — for the most part contrary to the wishes of the German High Command — and ended in the repulse of the Russian army along a wide front, with heavy losses on our own side.

THE GERMAN HIGH COMMAND *vs.* HINDENBURG AND MACKENSEN

Unfortunately the German High Command could not agree with the plans of the Field-Marshals Von Hindenburg and Von Mackensen who wished to develop this offensive into an action which should crush the enemy — the latter (Von Mackensen) pressing forward over the Bug, and the former (Von Hindenburg) over the line of the Niemen between Grodno and Kovno. At the time when this became possible, *i.e.*, in September, 1915, it was too late to gain thereby any important object. The Russians were heavily beaten but by no means fatally. The grounds on which General von Falkenhayn had hoped in these circumstances to make the Russians willing to sue for peace are explicable only by himself.

In view of the conditions on the eastern front, and the critical state of affairs in the west, where the French and English after unsuccessful attacks in May were now preparing for a fresh advance; in view, too, of the conditions in the Balkans, operations in the east were forcibly suspended. Here also, after partial successes in active fighting, trench warfare had again assumed supreme importance.

Already in September, 1914, Turkey had joined the Dual Alliance. Although this was more of a hindrance than otherwise from a military point of view, the advantage of Turkey's action lay in the fact that it cut off communication between the *Entente* and Russia and Rumania. Turkey was hard pressed on the Gallipoli peninsula. After the taking of Warsaw, Bulgaria made up her mind to join the Triple Alliance which now became the Quadruple Alliance, and took care to secure herself against danger from Serbia, by an attack on that country. This attack also seemed imperative, in view of the position of Austria-Hungary. The brilliant campaign which was thereupon conducted in the Balkans, in the autumn of 1915, failed to attain its crowning object, *i.e.*, the taking of Salonika. In Macedonia too, by the end of 1915, the struggle for position had reached a point equally favourable to both sides. Nevertheless, at the close of the year 1915 things seemed to stand favourably for the Quadruple Alliance in the various theatres of war. Taken as a whole, the plans of the *Entente* had failed, although the arrival of Kitchener's army in France, and the entry of Italy on the side of the *Entente* had made the numerical balance of forces still more unfavourable to the Quadruple Alliance: and that in spite of the victory over Serbia, the assistance of Bulgaria, and the improved use which was now made of the military strength of Turkey.

THE BATTLE OF VERDUN — A MORAL FAILURE

All through 1916 the German High Command renounced the idea of continuing the interrupted Russian campaign; which should have been continued by an offensive *via* Rumania into the Ukraine, directed more or less towards Kiev. This would presumably have so weakened Russia as to arouse in her the desire for peace, and would also have put an end to the economic distress of the Quadruple Alliance. A joint offensive against Italy from the direction of south Tirol and the Isonzo, as was suggested by General von Konrad, was also considered by the High Command as too great an undertaking. There would have been, it is true, great difficulty in obtaining sufficient forces for such a campaign without a dangerous weakening of the fronts, both east and west. The German High Command decided therefore



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The colossal gun platform near Brécy from which the cannon was fired which bombarded Paris.



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A German field telephone in France.

SCENES BEHIND THE GERMAN LINES

upon the attack on Verdun; whilst Austria-Hungary, exhausted as she was after her effort against Russia, set out from south Tirol with insufficient means, to make an attack on the Italian army, from the direction of south Tirol.

The attack on Verdun was not undertaken with the object of destroying this most powerful fortress of France. We hoped, rather, that we should be able, while using only a small amount of our own forces and material, to inflict a deep wound on the French army, from which it would slowly bleed to death. Our calculations were wrong. The fighting, which lasted for months, wore out not only the French army, but also the German. This attack must be recorded as a moral failure. Conditions proved more favourable to the French. They held their position and were now able to take part in the Somme offensive, though perhaps not to the extent they had originally wished.

Even in 1916 the *Entente* had not given up its idea of annihilating us. By March, Russia was attacking the German front from Vilna to the Gulf of Riga, aiming at widespread objectives; she was, however, heavily repulsed. On the other hand, considerable successes were gained by the so-called Brussilov offensive, directed against the Austrian front, this last being greatly weakened as the result of the offensive against Italy. Austria-Hungary was obliged to bring this unfortunate campaign in Italy to a close. German troops were being sent to the east. The offensive on the Somme, which was opened shortly afterwards by the English and French with an amount of material such as they had never had before, caused severe pressure on the German front in the west. Attacks by the Bulgarians in Macedonia were not successful. The Quadruple Alliance, fighting as it was on interior lines and with limited objectives, which is a contradiction in terms, was forced on all fronts to assume a defensive attitude, and was obliged to renounce all initiative. Its forces and efforts were crippled in all directions. The enemy seemed to be triumphing on all fronts, thanks to his superiority in numbers, also to his flourishing war industries. At this period of severe tension Rumania entered the war on the side of the *Entente;* her plan being to press through Transylvania to the south of Hungary, thus surrounding our eastern front and ultimately causing its collapse. She hoped thus to separate Bulgaria and Turkey from the two great Central Powers, and by this means to secure victory for the *Entente.*

HINDENBURG AND LUDENDORFF TAKE COMMAND

At the end of August, 1916, during this period of serious anxiety, the Emperor summoned Field-Marshal von Hindenburg and myself to the High Command. We were both aware of the extraordinary difficulty of the task which lay before us, and we saw only too clearly the negligence of which Germany had been guilty both before and during the World War, and the enemy's determination to destroy us. The fact that it was no longer possible to procure cereals and oil from Rumania caused a severe crisis with regard to provisioning. We could now only hope for success by putting all our energy into the conduct of the war; and that meant developing to the utmost our national and economic resources, and throwing them all into the scale. In order to counteract the pacifist, defeatist and revolutionary tendencies which had been perceptibly coming to the fore, it was essential to make the whole nation realise the gravity of the situation and to inspire it with a determination to fight until victory was gained. It was necessary also to bring all national and economic resources to the service of the war; at the

same time to organise measures for the reinforcement of the army and the improvement of tactics at the front, in order that the latter might be adequate against the overwhelming massed action of the enemy. In particular it seemed important, with a view to sparing human life, to let machines take the place of men, as far as possible. Wherever the High Command was responsible only to itself, all its plans were carried out, but when the Chancellor (Bethmann-Hollweg) had to be consulted, a great deal that was essential was left undone. The Chancellor completely failed to carry out his most important tasks, those calculated to raise the spirit of the people. On the contrary, he allowed the unmolested development of forces which already existed in the country and were endangering victory, and which were furthered by the effects of the blockade and of hostile propaganda. Above all, he neglected to institute propaganda against the *morale* of the enemy countries.

As far as strategy was concerned, the newly-appointed High Command found itself incapable, in view of the almost hopeless military situation, of converting into effective action its theory of fighting to a finish. The way for such action was only opened by slow degrees, owing to the furious attacks of the enemy on all fronts. It was first made possible by the hasty offensive conducted with emergency troops against our new enemy, Rumania. The latter was defeated up to the winter of 1916–1917, indeed only saved by the winter from total destruction. The supply of cereals and oil was again secured for the Central Powers, in spite of the systematic destruction of the oil wells. But the necessity of leaving a number of competent divisions on the Rumanian front proved a burden to the High Command, since it involved a corresponding depletion of reserves both east and west.

In view of the increased armaments of the enemy on all sides, there remained at the beginning of 1917 (as far as the theatres of war on land were concerned) no choice for the High Command except to allow the enemy to take the initiative, and to endeavour during his attacks to retreat to the Siegfried (or Hindenburg) line. Thus on land the war had become entirely a defensive one.

ADOPTION OF SUBMARINE WARFARE

At sea, on the contrary, it was possible by means of unlimited submarine warfare to take the offensive, and thereby to influence the whole situation of the war in a decisive manner. This put an end to the unnatural position by which the power of our navy was nearly lost owing to its passive attitude. At last Germany was able, despite weakness in numbers, to throw her whole strength into her fight for existence. The submarine warfare was intended not only to bring relief, so sorely needed, to our own troops, by hindering the transport of war material to the enemy fronts; but also to undermine the entire economic life of the enemy countries, and their war industries. It was hoped in particular that this would seriously affect England's food supply (just as her blockade had affected ours), and that we should thus make her suffer to such an extent that she would desist from the further pursuit of her desire to annihilate us, and would be ready to make peace on terms honourable to both sides.

The fact that this submarine warfare would afford President Wilson a welcome excuse for entering the war on the side of the *Entente* was a disadvantage which had to be taken into account, for the High Command had no doubt whatever but that the President would declare war as soon as the chances of victory seemed to favour the Central Powers. These last were therefore compelled to go to war with America in order to save their lives.

In deciding to carry on unlimited submarine warfare the High Command was taking a course by no means simple, since it meant the provocation of a neutral State; at the same time it was the only means, belated it is, true but presumably not yet too late, of making full use of a particular weapon while there was still some hope for the Central Powers to hold their own in this struggle for life.

The danger arising from the entry of the United States into the war, namely the bringing of fresh troops from America over to France, was not viewed by the Admiralty in so serious a light as it was by the High Command; for the former hoped that the submarine warfare would soon have a decisive effect upon England. The High Command did not, however, look on the U-boat campaigns as the factor which would ultimately turn the scale; but rather as one of the means towards victory, though of supreme importance for a certain period. The submarine warfare opened on February 1, 1917. According to Admiral Scheer, if it had started at the beginning of 1916 it might have proved a deciding factor in the war. It was now hampered by restrictions that prevented the intimidation of neutral shipping, and seeing the way it was carried on, neutral countries did not believe that it was in earnest. Moreover, the enemy's means of defence had become so extensive and so effective that the activity of the U-boats was greatly hindered. Nevertheless, it caused serious trouble to the *Entente*.

At the end of March, 1917, Admiral Jellicoe was obliged to confess to Admiral Sims that England could only continue the war until November. At the same time the Revolution had broken out in Russia. The Tsar was deprived of his throne, because he had shown himself willing to make peace in order to save his country from revolution. The Revolution was supported by the *Entente* for that very reason. A German victory seemed possible.

AMERICA ENTERS THE WAR

At that moment the United States declared war, as the German High Command had expected. A year had to go by, however, before any strong newly-formed American divisions could take the field in France. The German High Command decided to continue the submarine warfare with the utmost energy; and also made up its mind, in the summer of 1917, to attempt as soon as adequate forces were available to gain a decisive victory on land against Russia, weakened as she was by the Revolution. Yet it was feared, at any rate by the Chancellor, that a German offensive on the eastern front would destroy the desire for peace, which was revealing itself in Russia. Besides, the High Command had to devote its attention to repelling the attacks of the *Entente,* who were trying to force a decision in the west. The *Entente,* as in the previous years, had originally planned attacks both on the eastern and western fronts. Russia fell out, however, owing to the Revolution, and the *Entente* attacked only in the west, at Arras and on both sides of Reims, in an attempt to break through the German front. The attacks failed, causing very heavy losses to the French army and disorganising it internally. The German High Command was now able to draw off forces for the offensive against Russia. The military situation had become more favourable. The measures organised by the High Command were being carried out, its tactics had proved to be sound, and the Powers of the Quadruple Alliance were able to hope for a victory which the world should recognise as a victory of Germany and her ruling House.

WHY PRESIDENT WILSON DECLARES WAR

In order to prevent such a victory, President Wilson had declared war; and now other forces were only too obviously arraying against Germany those hidden forces which fashion the world's history. By the Balfour Declaration of November 2, 1917, with its far-reaching promises, England undertook to protect the Jewish nation, and thus bound up the interests of that nation with her own destiny.

Peace was being preached at Stockholm by international, socialist and democratic elements, and Germany was thereby induced to make her peace resolution of July 19, 1917. This move spread the belief in those quarters that the way was always open for a peace based on understanding, and that this was hindered only by the High Command and the German desire for victory.

This defeatist policy was also furthered in Vienna, though perhaps for different reasons, by Count Czernin and his following, whose opinion was most clearly expressed in his well-known statement of April 12, 1917, in which he declared that Austria-Hungary's power of resistance was coming to an end. Closely coördinate with this tendency was the attempt by the House of Parma (to which the Empress of Austria belonged) to induce Austria-Hungary to break with Germany and conclude a separate peace between the Dual Monarchy and the *Entente,* thus dealing an even greater blow at Germany.

Resolutions, for the most part in favour of a rapid conclusion of peace, were voiced in many quarters, their most serious manifestations taking the form of mutinies in the home fleet. In proportion as those forces increased which were working for Germany's downfall by endeavouring to undermine her fighting spirit, the Government of the country should have acted with greater firmness and wisdom. The Chancellor, Von Bethmann-Hollweg, was by no means equal to the task; he proved no assistance to the High Command in its effort for victory. He resigned his post. Under his successors, Dr. Michaelis (who was turned out of office by the Reichstag for not being sufficiently accommodating) and Count von Hertling, the internal conditions of Germany did not change. The High Command remained, and worked as well as it could without support.

THE COLLAPSE OF RUSSIA

After July we set ourselves to deal with the Russian front inflicting crushing blows at isolated points, since our forces were not sufficient for larger operations. We succeeded in bringing about the enemy's collapse, thanks partly to the increasing Bolshevist tendency of the Revolution. The rulers of Russia opened negotiations for an armistice with Germany, in which Rumania also joined. The High Command had gained an important object. It gained another through a successful action against the Italian army, in which its plans for destroying that army were carried out to the full. The military situation had thereby changed to such an extent that it was possible in the autumn of 1917 to consider attempting a decisive attack on France. It was there, indeed, and not on the Italian front that a decision would have to be sought. As the submarine warfare had had no permanent effect, the German High Command considered that a victory on land was the only possible way to end this terrible war, more especially as the enemy desired a fight to a finish.

THE WAR AIMS OF GERMANY

Although fully aware of this desire on the part of the enemy, the German High Command had ever been most willing to consider any suggestions for peace put forward by the Chancellor, even when these were purely of an academic character, as for instance the peace offer of December 12, 1916. The way to peace seemed actually to be accessible in the spring of 1917 owing to the Revolution in Russia, but this hope was frustrated. A second possibility appeared in September, 1917. It seemed then as if developments at the front had inclined the *Entente* towards peace. But this tendency appears to have been checked rapidly by internal events in Germany. Nevertheless, the High Command had the opportunity at that time of stating clearly its views as to our aims in the war. It pointed out the primary necessity of securing a direct guarantee for the economic centres of Germany situated near the frontiers, in particular the industrial district of Rhenish-Westphalia; and insisted therefore that Belgium must not, in the event of a future war, be allowed to serve as a base for our enemies. In order to achieve this object we should have to conclude closely-binding economic agreements with Belgium, if her sovereignty were to be maintained; also to obtain certain military guarantees. In the east we hoped to acquire territory especially in Courland, for the overflow of the German population; also to secure various guarantees against the newly-arisen State of Poland. New markets were to be won in Africa by the enlargement of our colonial possessions. By gaining these objects it seemed as if we should have secured for Germany the means of healthy development which she so sorely needed, and which had been denied to her increasing population before the war.

THE PEACE TREATIES OF BREST-LITOVSK AND BUCHAREST

The Peace Treaties concluded with Russia at Brest-Litovsk and with Rumania at Bucharest in the winter of 1917–1918, did not wind up military operations in the east. It would not have suited German policy to do so. Negotiations with Russia had indeed to be assisted in February, 1918, by a sharp attack against the Russian front. The front between ourselves and Great Russia required a garrison, even though a small one, to prevent raids by Russian hordes into the occupied territory. It was necessary, moreover, to leave four weak divisions as a garrison in Rumania, as the Rumanian army still remained in the eastern part of the country, demobilised but fully equipped for war. It was particularly inconvenient for the High Command to be obliged to spare 20 divisions in order to occupy the Ukraine and later also Georgia, even though the oldest recruits could be used for this purpose. As regards supplies, the Central Powers were now obliged to obtain necessities of life from the Ukraine, as the Rumanian harvest had entirely failed. Oil had to be procured through Georgia, for the oil production of Rumania was not sufficient to supply the amount of oil now required for the offensive in the west. The reason why Finland was included in the German military area, and a few battalions left there, was that these might serve as a menace to Petrograd and prevent Soviet Russia from taking up arms once more against Germany at the instigation of the *Entente*. The uncertainty of the position in the east necessitated more forces remaining there than the German High Command had originally estimated. It was impossible now for it to alter any plans with regard to the attack in

France. The assistance of Austro-Hungarian troops in the west ceased to be efficacious after the abdication of the Emperor Charles. Consequently the German High Command was compelled to deal with an offensive in Italy which naturally occurred.

The German High Command had exerted its powers to the utmost in planning the offensive in the west. The German troops employed were as strong as those of the enemy. The High Command had anticipated that it would probably fail to carry through its operations at the first attack, and that several attacks would therefore be necessary. It would have preferred to conduct the offensive in Flanders; but the presence there of strong enemy reserves did not favour this scheme. Moreover, an attack through Flanders would have to be conducted in part over the plain of the Lys, and would have been impeded by the muddy condition of the ground there, which usually made fighting impossible before the middle of April. It would not have been wise to put off operations until so late, in view of the possible arrival of American troops to reinforce the armies in France. The German High Command decided, therefore, to make an attack on the English right wing and the French left wing between Arras and Lahere.

THE FINAL OFFENSIVE ON THE WESTERN FRONT

The taking of such a large objective under unfavourable conditions and with considerable inferiority in numbers, would have required a determined, well-planned campaign lasting 18 months, with strong leadership and untiring effort in all departments.

The planning of this attack must be recognised by the world as one of the greatest achievements in the annals of military history. The subsequent heroic struggle of an army whose strength was sapped above all by revolutionary movements at home, showed, however, only too plainly that a German victory was not compatible with the views of any party or world-policy — in fact, that a German victory must be prevented in order that the proletariat might live.

The attack on March 21, 1918, was successful. The German soldier proved himself superior to the enemy; yet these troops, carefully trained in long years of peace, lacked the driving force necessary to take Amiens. A determined attack both sides of Lille also obtained considerable local success. Unluckily, the forces were not available to follow this up with a fresh attack. The *Entente* realised that it was indeed being hard pressed, and compelled neutral states to provide shipping for the hasty transport to France of American troops, which now began to arrive in rapid succession.

THE AMERICANS ARRIVE

The third German attack via the *Chemin des Dames* was also successful, and might have been more so but for the appreciable difference caused by the arrival of American troops on the field of battle. Nevertheless, German successes were so marked that in England as well as in the United States a desire for peace again became apparent.

In the middle of July the final German attack on both sides of Reims — which should have been followed up by an offensive in Flanders, was doomed to failure. The enemy had been warned of it through treachery and carelessness. A counter-attack which was opened immediately between the Aisne

and the Marne robbed the German army of what it had gained by the attack of May 27. After this the enemy lost any desire for peace that he had had. It is said, in criticism, that after the result of the battles in March and April the German High Command should have renounced any further attacks. It should not be forgotten, however, that even in May the German soldier was still showing his superiority over the enemy; also that in view of the developments of home policy both in Austria-Hungary and Bulgaria, the Quadruple Alliance was held together only by the prospect of a German victory. The aspect of things at that time from the enemies' point of view should also be remembered.

HOPE OF VICTORY VANISHES

After the events at the end of July all hope of victory had vanished. Our efforts had been in vain. The serious manifestations of internal disruption which became apparent in the German army at the battle of Amiens on August 8, confirmed the melancholy conviction that its fighting strength had become greatly impaired — of which, revolutionary agitation was not the least cause!

Germany's plan for the conduct of the war had become purely defensive, whilst the enemy attacks increased, having been reinforced since August 8 by the newly arrived American troops. The only alternative which remained for Germany was either to retreat slowly before these attacks and by heroic fighting to put up a courageous resistance until such time as diplomacy should have succeeded in its almost impossible task of bringing about a tolerable peace without annexations or indemnities (according to President Wilson's programme); or, and this seemed the most probable, summoning up the final strength of a nation driven to desperation and wide-awake at last, to continue the war and, if need be, to perish with honour. The German High Command and the army in the field were entirely prepared to take this last course.

The retreat took the form of a well-planned operation, and was carried out splendidly. All attempts by the enemy to break through the German front and subdue the German army were frustrated. The strength of the army lasted several months longer, even though its Allies had collapsed. Then came the betrayal of the fatherland — brought about by the disintegrating influence of enemy propaganda, by revolutionary agitation, and finally by the outbreak of the Revolution itself; and all this made it impossible for the nation to put forth its full strength and therewith to support the army. This betrayal forced the army at length to conclude an ignominious armistice. After an honourable retreat to its own country this army was disarmed by the revolutionary authorities in Germany, at the same time that the fleet was surrendered. These were acting in accordance with that damnable precept of German social democracy, which runs as follows — "It is our firm intention that Germany shall lower her banner once for all, without even bringing it home victorious for the last time."

Thus they brought the German nation to its present pass. If before the war it had not enough land for its needs, now the words of Clemenceau, that "there are twenty million too many Germans in the world," would seem to be near the truth — but for the German will to live.

CHAPTER X

THE VICTORIOUS ARMIES OF FRANCE

By General Charles Marie Emmanuel Mangin

Member of the Superior War Council. Captor of Fort Douaumont, October, 1916. Commander of the French 10th Army; Grand Cross of the Legion of Honour.

All the Allied and Associated Powers entered into the World War with all their heart and all their strength. The soldiers of every country gave proof of the same tenacity and the same courage; and the leaders of the same self-sacrifice in the common interest. The citizens of each of the warring nations bore the same privations and the same sorrows with equal courage. In this long struggle, without precedent in history, all had their share in the common victory.

But the special action of each nation was determined by the moment at which it entered the war, by its geographical position, by the degree of its military preparation, by its means and its economic possibilities. The efforts of each nation were dissimilar, and consequently the results of their efforts were not the same. In a long and bloody battle, all regiments, arms and even services of the victorious army are all equally deserving of the motherland; there are, however, certain corps which, owing to their position in the line, did more than others, and units in which losses were heavier or whose rôle was more effective.

France was the first to be attacked; thus she took part in the conflict from its opening day. Her frontier was the chief theatre of the struggle, from the North Sea to Switzerland. Invaded, she endured devastations without parallel. Having learned from experience, she had prepared herself for a struggle that she foresaw long before. She had not been able to devote as large sums to her military preparations as had her adversary; but all her sons underwent compulsory military service. The length of service having been reduced from five years to three and then in 1904 to two, was in 1913 again raised to three years. As a result of the extreme tension of the political state of Europe, France, in proportion to her population, bore the heaviest military burdens; and it is owing to this military service — equal for all — that her citizens were able from the first day of the war to transform themselves into soldiers. And because of the intense work of her officers, and staff officers, France's army was able to form increasingly numerous units and to place them under competent officers through all the changes that increased and differing material imposed on strategy and on tactics. These heavy sacrifices, to which the nation consented, enabled the French armies to beat off the enemy in spite of his superiority of numbers and equipment, and gave the Allies time to organise, to arm and to become trained before taking their place in the firing line.

THE OPERATIONS AND CONDUCT OF THE WAR

On the western front, the warfare from the outset took on a character of extreme violence. The German plan counted on a great victory over the



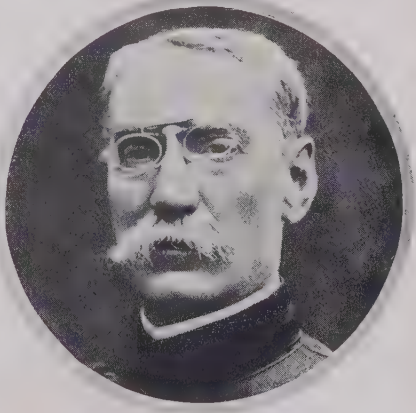
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Marshal Foch, appointed Generalissimo of the Allied Forces on the Western Front in 1918.



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General Mangin, Captor of Fort Douaumont, who contributes the chapter "The Victorious Armies of France."



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General Galliéni, Military Governor of Paris at the outbreak of the World War.

French armies. Since the smallness of her population forced France to throw immediately all her combatants into the first line, the first defeats would, they thought, be decisive. The German staff declared that the French people were decadent and that they would never rise after a preliminary defeat. Germany would thus be able to transfer almost the whole of her victorious armies in France to the Russian front, where the mobilisation and concentration of the Russian armies would be very slow.

Hostilities broke out on the extreme right with a rapid incursion of the French into Alsace (Mulhouse taken and lost, August 8 to 10), while at the extreme left the Germans invaded Belgium (battle and siege of Liége, August 3 to 17; battle of Dinant; occupation of Brussels). The Belgian troops stand north of the Sambre and Meuse; all the rest of the front is held by French troops.

During the battle of the Frontiers, the First army of Dubail begins the battle of Sarrebourg, the Second army of Castelnau fights at Morhange. Retreat is necessary; it is halted by the stand of the French right, which checkmates the invaders by defending the opening at Charmes, August 25. In the centre, the Third army of Ruffey and the Fourth of Langle, which have entered Belgium, are forced back as a result of the battle of Neufchâteau-Virton. On the right bank of the Meuse, the Fifth army of Lanrezac is beaten at Charleroi, while more to the left, the British army under General French is thrown back at Mons. During these battles of the Frontiers there were engaged in the fight 2,689,000 French, 120,000 Belgians and 70,000 English.

The general retreat ordered by General Joffre takes place in an orderly manner, being protected by vigorous blows delivered at Guise (Fifth army), at Cateau (British army with some French divisions), and at Signy-l'Abbaye (Third army). The struggle continues towards the east with the First army of Dubail on the Mortagne and the Second army of Castelnau on the Grand Couronné at Nancy. The German command is holding divisions there which, according to the original plan, as we now know, were to have moved westward to support the great enveloping movement. Yielding to the request of the German Crown Prince Rupprecht of Bavaria, it vainly attempts to trap the armies of France in the arms of a gigantic pincers. The Russian attack in East Prussia is of unexpected vehemence, and draws two German corps from the western front to the eastern. This removal of troops diminishes the strength of the German right, still further weakened by the siege corps withdrawn to Antwerp and Maubeuge.

General Joffre has formed on the left of the British army the Sixth army of Maunoury, which falls back on Paris under the orders of General Gallièni, the Governor of the capital. In place of following up the envelopment of the French left by a large movement reaching to the west of Paris, the first German army of Von Kluck bends in an oblique direction east of Paris and in its rapid march, exposes its flank to an attack from Paris.

BATTLE OF THE MARNE

General Gallièni obtains permission to profit by this and attacks towards the Ourcq on September 5. Acting in concert with General French, whose support he has obtained, General Joffre then advances the date of the general attack which he has foreseen and been preparing for. All the Allied armies halt, make a half-turn and advance against the enemy. A general battle follows on all fronts. But at the German right, the First army of Von Kluck, pressed by the Sixth army of Maunoury from September 5, orders

to its right on the evening of the 6th the two left army corps, the departure of which breaks the line. The left of the Fifth army of d'Esperey at once takes advantage of this opening, the British army accompanies the movement, and the Second German army of Von Bülow threatened by a turning movement, begins to retreat, forcing the whole German front to fall back as far as the Aisne, where reinforcements taken from the left enable it to stand.

THE RACE TO THE SEA

From the middle of September the two adversaries attempt to outflank each other on their west wing. The British army, which fought on the Chemin des Dames with remarkable bravery, is transported to the north in order to get nearer its base. It begins the long and terrible battle of Ypres (October 15 to November 13), whilst the struggle is continued with equal fury on both its right and left. The Allied armies fight side by side and even intermix, and the fraternity of the battlefield diminishes the hardships which the dualism of command inevitably entails. Presently the shortage of munitions and the absence of the necessary means for destroying the fortifications which are being constructed from the North Sea to Switzerland lead to a long pause, interrupted only by violent local fights.

THE WAR FOR POSITION

The two adversaries are buried in trenches along two or three lines, defended by barbed wire net-work. Behind this first position, a second and often a third are established. The woods, the villages and certain important points are centres for independent resistance. The fight continues under enemy fire and often through the night and is everywhere formidable. The armies seek means of breaking these new defences and improvise new methods of warfare, new materials of attack and defence; clipping-shears for example, *minenwerfer*, hand-grenades, shells with live fuses for destroying barbed wire defences, etc. The problem is how to break the front. This is the object of frequent and costly experiments, particularly to the French.

The effort in men and material is proportionate to the length of the front. The front was divided thus:

		Belgians *Kilometres*	English *Kilometres*	French *Kilometres*	Americans *Kilometres*	Italians *Kilometres*	Total *Kilometres*
1915	January	18	40	715	..	..	773
	July	27	63	695	..	..	785
	October	27	116	640	..	..	783
1916	January	27	96	646	..	..	769
	April	26	138	598	..	..	762
	October	24	127	612	..	..	765
1917	April	27	138	574	..	..	739
1918	February	30	200	520	..	..	750
	June (end)	40	165	646	50	10	911
	Nov. 11	50	90	300	120	10	570

The effectives of the British army in France increased far more rapidly than the length of the front held by the British troops, who became more and more dense (6,800 to the kilometre in January, 1915; 11,600 in January, 1916; 13,000 in 1917), while on the French front there were only 3,500 to 4,000 combatants to the kilometre, a number which corresponds to the density

of the German front opposite. These figures, which comprise not only the troops in sectors, but also the divisions in reserve, were not known in France until the end of 1916, for General Joffre, questioned on this point by the Government, refused to reveal information that the British command had communicated to him in strictest confidence. The French command fully understood that the British troops were almost all recently enlisted, that they did not in the beginning possess the same fighting capacity as the French troops and that they therefore required a progressive training, a greater density on the front, more frequent relief, and longer periods of instruction behind the lines

But these considerations were overlooked by the parliamentary commissions in France. The Army Commission in the Chamber, in particular, reproached the French Command for having demanded from its Allies an extension of front *only* at the moment of preparation for attacks. It also reproached the French Ministry for not having intervened with the British Government in order to ask — to insist on an equitable division of fatigue and dangers in order to relieve the French troops.

During this long war for position, attempts to break through were made sometimes by combined actions, such as the battles of Arras in May to June and September 25, 1915, the battle of the Somme in July to October, 1916, the battle of the Aisne in April to May, 1917, the battle of Flanders in August to September, 1917, and sometimes by actions in which only one army was engaged, as at the battles of Champagne in December, 1914, and September 25, 1915. The only really serious attempt at breaking through on the part of the German army took place at Verdun, and this great battle which lasted during nearly the whole of 1916 was fought entirely by French troops. Under a bombardment such as was never known before, the French troops yielded several kilometres of territory in February and March, some hundreds of metres in April and May. The German advance, although continuously slowing down, progressed mechanically and irresistibly, after a bombardment which demolished the trenches together with their defenders. But at the end of June, the French made a counter-attack and overwhelmed the enemy. The struggle diminishes in intensity in August and September, at which time the battle of the Somme is at white heat. It terminates in victory by the retaking of Douaumont on October 24, and of Louvemont-Bezonvaux on December 15.

THE BATTLE OF FRANCE IN 1918

The check to submarine warfare forces Germany to seek on land a solution for the war. She can now transport to the western front those troops that are available because of the surrender by the Soviets. But the entry of America necessitates a prompt decision before American forces are sufficiently numerous to reëstablish the balance of strength on the principal front.

On March 21, the British right is attacked; all the French reserves rush to the battle which begins with a disastrous reverse for the *Entente*. A soldering is made before the irreparable separation between the two armies takes place. From April 9 to 29 the attack recommences on the British centre, which at first gives way. The salient of Ypres is menaced. A newly formed French army immediately arrives, and the German advance is halted after severe fighting.

On May 27, the French line is bent on the Chemin des Dames and pushed back as far as the Marne. On June 9, a new attack near Compiègne carries with it the threat of connecting the salient of Montdidier (a result of the attack of March 21) with that of Château-Thierry, which dates from May

27; but a counter-attack of five French divisions on the flank of the German advance halts it on June 11. This is the first time since the beginning of this inauspicious year that any such result has been obtained. It marks the end of the German successes.

On July 15, a new German attack opens in Champagne and meets with an elastic defence which it cannot overcome. On July 18, the French offensive makes a surprise attack without any preparatory cannon firing and falls on the west flank of the Château-Thierry pocket, between the Aisne and the Marne. After the first day, more than 10 kilometres of advance is made and the total captures are 20,000 prisoners and 200 cannon. The success is continued as far as the Aisne and the Vesle; it is the second victory of the Marne. On August 8, the British armies and the First French army are victorious in Santerre; on August 20, an advance begins again on the Aisne and carries the French to the Ailette. Then the Americans wipe out the salient of Saint-Mihiel; the battle for Flanders has begun, to be continued indefinitely, for Marshal Foch, after having dealt successive blows along the whole front, orders a general action, which is terminated by the premature Armistice of November 11, at the moment when the last effort would have carried the Lorraine front to the Saar, cut the German communications and forced the armies of the Kaiser to throw down their arms.

THE COMMAND

If we seek to establish the rôle of the French command in the World War, it may be stated that the first battle of the Marne was won by Marshal Joffre, who was in command of the French armies. The success of the German attack of March, 1918, was needed in order to convince the Allies of the necessity of a single command, which had been foreseen in 1917. The great offensive battle, which began on July 18, 1918, and which finished the war on November 11, was led by Marshal Foch. In the east, it was under the command of the French General d'Esperey that on September 15, 1918, the Allied armies won the victory of Macedonia which pierced the Bulgarian front, and led them to the Danube.

When we thus examine the conduct of the war in its bare outlines we see that to the French command and staffs fell the task of the constant organisation of all the new methods of warfare caused by the use of new materials and of masses of men whose numbers had until then been unheard of. First, there was the war of movement, in which over-brutal operations had to be adapted to the use of the machine-gun and the heavy cannon; then followed the war of position, and here all had to be improvised for attack as well as for defence. The results were the costly experiments of 1915, terminated by the offensives of Artois and of Champagne, and the brilliant defence of Verdun (the only offensive in the grand style that the Germans undertook during the three years of this period) which was terminated by the victories of October 24 and December 15, 1916; the check of the fourth German offensive July 15, 1918, in Champagne; the second victory of the Marne, begun only three days afterwards, on July 18. Let us remember that to the credit of the French staffs belong the reorganisation of the Serbian and Rumanian armies and the instruction of the American armies in which 2,000 French officers served — 500 in the training camps in America, and 1,500 in France in fighting units. There is no doubt that the American troops would have been able to teach themselves by experience; but after April, 1918, there was no time to be lost and they were thrown into the fighting line as rapidly as possible. Hence the use of Allied instructors. In one American division



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Troops moving up to the Front.



© *International Newsreel*

Infantry going "over the top."



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A French '155 in action.

SCENES ON THE FRENCH FRONT DURING THE WORLD WAR

alone, out of ten French officers, seven fell on the battlefield. (See Lt.-Col. Requin's *La Course de l'Amérique à la Victoire* (America's March to Victory), with a letter of appreciation from Mr. Baker, Minister of War, pages 81 to 87, 112, 149 and 165.)

EFFECTIVE FORCES AND LOSSES

The French peace army, which comprised 817,000 Frenchmen, was raised to 3,704,000 between August 1 and 15 by the mobilisation of the reservists and territorials. During the next ten months it incorporated 2,740,000 additional men through the enlistment of the young recruiting classes and the old territorial classes. It replaced its losses continually, first by the incorporation of the following classes eighteen months ahead of time: that is to say, of the young men of the average age of eighteen and a half years; second, by increasingly rigid revisions of exempted men and of malingerers (the young classes were examined four and even six times); third, by the combing out of all services and the use behind the firing line of none but medically disqualified men; fourth, by the use of its over-seas contingents.

The military strength of the incorporated men was 7,842,000 Frenchmen, 260,000 natives of North Africa, 275,000 natives of the tropics, 38,000 natives of the old colonies (Antilles, Réunion, etc.) — a total of 8,415,000 men. From 1917 the railways, navigation, mines, war factories, and agriculture employed approximately 1,300,000 Frenchmen and 300,000 colonials; nevertheless, owing to the rigid methods of recruiting, the strength of the armies on the north-east front and in the east was always maintained between 2,700,000 and 3,000,000 fighting men.

Taking into consideration only Continental territory, all Frenchmen medically fit and between 18 and 45 years of age were mobilised for more than four years. One-fifth of the total population remained under arms during the whole of the war.

The French armies having from the first to the last day supported the heaviest burden of the war, also suffered the heaviest losses. They bought victory at the price of 1,357,800 men dead (36,000 officers, 1,245,000 French; 71,000 colonial natives, 4,600 soldiers of the Foreign Legion). The total losses amongst officers were 18.5 per cent, and of combatant officers 22 per cent; amongst French soldiers the losses were 15.8 per cent, and 15.2 per cent in the ranks of their coloured comrades, who arrived later at the firing line.

These losses bore most heavily on two classes of the nation: first, the intellectuals, since they furnished the largest number of officers (93,000 at the time of mobilisation, 104,000 appointed during the course of the war); and next, the agriculturists, because all men engaged in transportation, miners, and workingmen in general, were withdrawn from the front in order to serve with the non-combatant army and above all in war factories. It is for this reason that England, for example, did not have the same proportion of losses as France; English workmen had to remain in the mines to dig coal, in war factories and in naval shipyards in order to repair the losses caused by the German submarines, and her sailors had to remain with the fleets which transported the foods for the *Entente* armies, etc. Every class of every nation, and every nation in the *Entente* did its duty. Nevertheless, in speaking of losses it must be stated in what proportion they affected the different nations. France lost one killed for every 27 inhabitants — men, women, and children; England lost one killed for every 57 inhabitants of the British Isles, and one killed for every 75, if the total white population of the British Empire be counted; Italy lost one killed for every 79; Belgium, who

could not recruit on her invaded territory, lost one killed for every two hundred; Russia, one for approximately every 107; the United States, which entered late into the war, one for every 2,000 inhabitants.

To the 1,281,000 dead Frenchmen must be added 740,000 mutilated. These losses fell chiefly on the younger classes, because the older classes were placed in less exposed positions. More than one half of the young men between 19 and 34 were struck. In addition, civilian mortality was noticeably increased by the sufferings and privations of war; the birth-rate went down owing to the absence of married soldiers, and it will remain diminished for many generations on account of the disappearance of 1,300,000 young men of whom the greater number would have founded a family. Never before has any nation suffered such a loss of human capital.

WAR MATERIAL

It has been said that the World War was a war of material. One might have said that it was a war of fighting effectives, for it was terminated by the wearing down of German divisions with losses which could not be replaced. Again, it might be called a war of command, for this wearing down was the result of the clever combinations and the tenacity of Marshal Foch — that is to say, it was an absolutely personal work. And again, the war could not have been won without the imperturbable energy of Marshal Joffre; and yet again it was a war of soldiers, for in no other war have the combatants in the ranks ever had to display, and for so long a time and to such a high degree, qualities of courage, endurance and tenacity in the face of ever-increasing hardships. It was, too, a war of nations, for never before have nations entered in so great a degree into a struggle with all their resources. Intensive recruiting, privations due to the maritime warfare, and the labour of all, including women, who replaced farm-hands, workmen and employees fighting at the front, were all a part of the universal effort.

War of nations, war of soldiers, war of commands and staffs, war of fighting effectives, war of material, the World War was the sum of all these wars in which each factor played an immense rôle, indispensable to victory.

The equipment of the French army corresponded to the idea that all European staffs had formed in regard to a future struggle — a short and violent war, full of movement. In 1886, the French army had adopted a repeating rifle of reduced calibre and more accurate trajectory, a result of the use of a new smokeless and greaseless powder, the invention of a French military engineer. For a long time this rifle remained the best, but was later followed by other similar weapons. To-day, in 1924, it still remains in use. But there were not enough of them, and 2,265,000 of these weapons had to be made and almost as many had to be repaired. The rôle of the machine-gun had not been estimated at its true value in the French army; 71,000 of them had to be manufactured. Besides the machine-gun, were automatic rifles to the number of 290,000, used after 1917. To feed this infantry weapon, it was necessary to manufacture five thousand million cartridges of 18 millimetres. The infantry used 102 million hand grenades and 40 million rifle grenades.

The field artillery at the beginning of the war was composed only of the 75 millimetre cannon, adopted in 1897, the perfection of which remains unequalled in 1924, thanks to its hydro-pneumatic brakes; these automatically replace the gun in firing position without disturbing its aim, and afford an exceptional rapidity and accuracy of firing. The number of these guns in use in August, 1914, was 2,500; in July, 1915, 2,950; and in September, 1918, 6,600. It was necessary to replace worn out and damaged cannon and in part

to furnish other Allied armies with them. In brief, war manufactures comprised 13,000 gun-barrels, 12,000 brakes, 6,000 gun-carriages, and repairs were scarcely inferior in number. The number of cartridges manufactured for the '75 cannon was 180 millions, although at the beginning of the war the number on hand hardly reached 4 millions. Both French and Germans were short of munitions in September, 1914, after the battle of the Marne, for the calculations made fell far short of the real demand. This shortage prevented the battle from being a decisive one, and thereafter both sides engaged in intensive manufacture. The construction of these cannon cost 240 million francs, the repairs 36 millions, the munitions twelve and a half thousand millions, and the shell cost an average of 70 francs (25 francs before the war, 80 francs in 1916 and about 60 francs in 1918).

But the '75 cannon, contrary to an opinion too generally formed, could not do everything. It had to be reinforced by heavy cannon of medium calibre, and higher trajectory, which could seek out enemy batteries and shelters behind the defilements of ridges, and which could thus counterbalance the material and moral effect of the German heavy artillery. In July, 1916, the piece known as the '105 short made its appearance, and in October, 1918, was used with 1,575 Schneider equipment and 260 St-Chamond equipment. Of the '105 cannon, which produced the same effects as the '75, but with added power, 155 were to be found at the front in 1916 and 730 at the end of hostilities.

At this time, heavy and powerful artillery was represented by 600 pieces of '155 long, 260 pieces of '220 short, 95 pieces of '270, 80 pieces of '280. The old pieces of the Bauge system, '80, '90, '95 of field artillery, did good service during the first part of the campaign, but their day was over. In 1918, there were still in use 24,000 pieces of the '120 and '155 long and short of this system, and mortars of about '220.

Besides these few brief facts on artillery material, mention must be made of aviation (3,600 French aeroplanes at the moment of the Armistice); of 2,600 tanks; of toxic gases and methods of protection from the same; of means of communication and in particular the development of the telephonic wire; of motor trucks, the use of which increased throughout the war; of railways and their utilisation in the side movements behind the lines; of the provisioning of the armies — a matter of the greatest importance; of sanitation and all the progress which led up to it; and of clothing and equipment for more than 8 million men. This simple enumeration gives but a feeble idea of the industrial effort of France during the war in spite of the occupation by the enemy of those regions which contained the greatest part of her industry.

It must be added that the British fleet assured the *Entente* of the mastery of the Atlantic Ocean, while the French navy held the Mediterranean. Raw materials and coal and provisions arrived, thanks to these circumstances. Let it also be added that France contributed to the armament and equipment of the Allied armies in fairly large measure, namely to an amount represented by a sum of more than 10 thousand million francs, which was deducted from the French debts. In this total the share of the United States figures at three and a half thousand millions, for the American army received 137,000 horses, 1,871 French '75s, 762 '155 short Schneiders, 224 cannons of '155 of great power, 240 tanks, 2,676 equipped aeroplanes, thousands of machine-guns, mitrailleuse rifles, trench engines, and material of every kind. The American divisions, as was right and fair, received their share in '155 shorts before the French divisions. The American field artillery, equipped solely with French cannon, used during the whole of the campaign nothing but French projectiles.

The monetary cost of the war, expressed in every country by an increase

of the public debt from 1914 to 1921 (during the period of hostility and of immediate liquidation), was far higher in France than in the other Allied or associated countries. As a result, France has borne by far the heaviest burden of the war. *The Memorandum on Public Finances,* published in 1922 by the League of Nations, evaluated the cost of war as follows: (See in the *Revue de France* of November 1, 1923, a remarkable article by M. Georges Hersent *Qui a payé la guerre?*)

	In Millions of Francs at Par		
	Internal Debt (Increase)	External Debt (Increase)	Total
France	197,350	77,306	274,656
Great Britain	143,875	34,000	177,875
Italy	72,970	20,000	92,970
Belgium	26,000	1,380	27,380
United States	113,900	....	113,900

DEVASTATION OF FRENCH TERRITORY

France served as a battlefield for more than four years in a war which took place in her richest departments; these produced 80 per cent of her textiles, 90 per cent of her minerals, 81 per cent of her cast-iron, 55 per cent of her coal; 26,000 factories and 590,000 houses were destroyed, of which 450,000 were razed to the ground, and wide spaces had to be cleared of barbed wire and frequently of live shells, levelled and brought back to order.

It was not merely the necessities of a war of aggression which caused these ills; it was the desire to strike France in a vital spot and to assure for a longer time the triumph of German industry. Throughout the whole of the French occupied zone, new machines were dismantled and taken to Germany, others were broken and factories dynamited. In order to ruin agriculture, the fruit trees were razed to the ground. Coal-mines were systematically destroyed, timber was removed, wells were inundated. Railways, roads, works of art were the object of the same deliberate destruction. The advantages of science were placed at the service of barbarism in a way hitherto unheard of in the annals of humanity. The losses caused by all this went far beyond the total of those inflicted on all the rest of the Allies put together. According to *The Official Report of the Commission on Reparations from 1920 to 1922,* war damages were valued as follows in millions of francs at par:

	Damage to Property	Damage to Persons	Total
France	136,580	81,940	218,520
Great Britain	27,572	43,575	71,147
Italy	24,134	50,079	74,213
Belgium	29,858	6,772	36,630
United States	948	4,000	4,948
(Approximate valuations)		(Pensions)	

By the Treaty of Versailles Germany agreed to pay reparations for the war which she was responsible for and which she carried on with an unexampled savagery; but the Allies have permitted her to organise a fraudulent bankruptcy, and France has been forced to raise herself from her ruins by her own means. She has courageously undertaken this, and this colossal work has started well; but in the matter of reparations the account against Germany, which declares herself insolvent, is a French debt which has risen to one hundred thousand millions of francs.

To sum up, in this long struggle in which the liberty of the world was involved, all the Allies have done their duty; their self-sacrifice for the common

interests and their indestructible union assured a victory for Right. But the geographical situation of France, directly attacked, placed her in the first line; forty years of reflection, of silent work, of sacrifices and study gave her an army which for a long time and almost alone bore the burden of battle, which never ceased to take, in that battle, a preponderant part. After the first reverses, this army gathered renewed strength and at the Marne destroyed the German plans. At the end of the long war, in which all fought with equal courage, it was the French command which assured the triumph of the Allied armies.

CHAPTER XI

AMERICA ENTERS THE WAR

By Frank H. Simonds

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I. Introduction

In any accurate appraisal of the American military contribution to the Allied victory in the World War there are two clearly defined aspects to be considered. In the first place since the United States was but one of many nations fighting in a common cause, and her military forces necessarily played a restricted rôle, we have first to examine the relation of this rôle to the war itself. What was the American contribution to that achievement which was disclosed in the Armistice terms of November 11, 1918?

In the second place American participation must be viewed as an independent military performance of its own. Acting in the closest coöperation with the Allies, the United States nevertheless engaged in battles in which the troops of Pershing fought as divisions, corps and finally as armies, first under the orders of French general officers and then of American. These battles, Cantigny, Belleau Woods, Aisne–Marne, St. Mihiel and finally the Meuse–Argonne, deserve to be studied for themselves, since they constitute a part — and in magnitude the most impressive part — of American military history.

Here, then, is the double question which the writer seeks to answer. (1) What did Pershing's army contribute to the common victory? (2) What was the character of this contribution, itself? What did the United States bring? and What did she do?

II. What the United States Brought

To consider the value of the American military contribution to the Allied victory on the military side, it is essential first of all to appreciate the condition of the Allied cause at the moment when the United States declared war, April, 1917, and in June of the same year, when the first American division reached European shores.

In April, 1917, the dominating circumstance was plainly the decline and rapidly approaching fall of Russia. The campaign of 1916 had brought the Central Powers to the edge of ultimate disaster. The terrible failure before Verdun, the deadly grinding attrition of the Somme, the amazing victories of Brussilov in Galicia and Volhynia, the ever-increasing pressure of Italy along the Isonzo — all combined to put an intolerable strain upon German resources and German resolution. At the close of the year Germany seemed



© *Keystone View Co.*

General Pershing, Commander-in-Chief of the American Expeditionary Forces in France.



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Major-General Leonard Wood, originator of the Plattsburg training camp and later Governor-General of the Philippines.



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The Hon. Newton D. Baker, Secretary of War in President Wilson's Cabinet from 1916 to 1921.

not only condemned to the defensive, but to a defensive without issue. She was bleeding to death from many wounds and Ludendorff, in his own narrative, testifies to the peril of the hour.

An Allied resumption of the concentric attack, of the strategy of Grant, which brought the South to its knees by maintaining pressure all round the mighty perimeter of the Confederacy, this was not only indicated by conditions, but foreshadowed by preparations. All that was needed for victory, it seemed, it still seems, was that Russia should deliver one more blow; that, to use the American Civil War parallel again, Sherman should march to the sea, while Grant continued to hold Lee before Richmond.

But brusquely all changed. Russia staggered and then collapsed. The opening British success before Arras on April 9 had no decisive aftermath. The French army was beaten at the Aisne and the character and completeness of its defeat affected its *morale*. In a word, while there were abrupt changes alike in the French High Command and in the French political world, the French army ceased to be available as an offensive force for the balance of the year.

Relieved thus on the Russian side and on the French, the Germans were able to concentrate against the British in Flanders and beat down Haig's supreme effort in the bloody shambles of Passchendaele. Before the year had ended the capacity and the strength, the moral and the physical resources of the Allies to crush Germany by a renewed attack, had disappeared. More than that, despite the warnings of certain military leaders, the politicians had overborne the soldiers and the Allies had settled down to a passive defensive, leaving to Ludendorff the opportunity to attack when and as he chose. For the first time since the terrible days before Ypres in October, 1914, the initiative had passed to the Germans on the western front.

In accepting the defensive in January, 1918, the Allied leaders were dominated by a single calculation. The defensive of itself could decide nothing. It was not a means to victory but a postponement of the event. It was purely and simply a calculation based upon the expectation of the ultimate arrival of America in such strength as to permit the Allies to pass from the defensive to the offensive and achieve victory.

In a word, the strategy of Haig and Pétain in 1918 was that of Wellington at Waterloo. From March to July the whole mighty battle of France would repeat the comparatively insignificant, but forever memorable, struggle which terminated the career of the great Emperor. Like Napoleon, Ludendorff would strive with all his might to crush his enemies actually before him — the French and the British — to pound them to pieces before help could come. Could Pershing arrive in strength in advance of the collapse of Haig and Pétain as did Blücher before Napoleon had destroyed Wellington's army? This was the whole problem of the Allied campaign of 1918, only dimly perceived in advance but disclosed with almost ghastly clarity after the initial disasters of March and April.

Now Pershing did arrive in 1918 as did Blücher in 1815. In both cases the arrival did not come until the defensive had been strained to the utmost. Like Napoleon at Waterloo, Ludendorff at least twice saw victory slip through his fingers. Moreover, just as in the case of Napoleon, when the moment came for the supreme effort and the employment of the Guard, the battle was already lost, so, when Ludendorff staked all on the July offensive — the gigantic "Peace Storm" — his battle was also doomed.

The history of the whole war on the western front, from the moment the war of positions succeeded that of movement, is comprehended in the question of reserves. Until September, 1918, no offensive could lead to decision, because neither side possessed that decisive advantage in numbers and machin-

ery, which enabled it to follow up a local success or avoid being halted by the arrival of the reserves of the enemy. To succeed it was necessary first to suck in all of the enemy's available reserves, while retaining a striking force for the final thrust.

In June, 1918, the Allies were in a situation in which, could Ludendorff have attacked again, victory was his beyond question, for there was left to Foch no sufficient reserve to meet a new attack. The March and May attacks before Amiens and on the Chemin des Dames had exhausted Allied reserves. But Ludendorff was in the same situation. He, too, must wait and reorganise, and while he waited, America arrived; when he resumed, it was Foch who possessed the superior reserves and could pass to the offensive after defeating the last German offensive. But this superiority was due largely to the arrival of American divisions, alike on the battle front and in the quiet sectors, where they released Allied combat units.

On November 11, when the end came, Ludendorff had a single division in reserve, Foch upwards of a hundred, but of the hundred, reckoning in bayonet strength, more than half were American. Moreover, for November 14 Foch had planned a new attack between the Moselle and the Saar, on either side of Metz, and since the Germans had no reserves to send to this sector, that attack could have proceeded without limit. Once it had pierced the thin lines defending the German trenches, its road to the Rhine was free, and already the Germans had begun the evacuation of Metz. In that new offensive, too, many American divisions were marked to participate, and this participation would not diminish the pressure the American First army was exerting with fatal effect in the Meuse–Argonne.

Without American intervention, then, Allied victory in 1918 would have been impossible. Conceivably, had American troops not arrived when they did and as they did, contributing alike time and numbers, Ludendorff would have won. That was his calculation, and if he lost, it was not without more than one vision of triumph. The United States brought the victory. Without her the war could have been for the Allies at best a stalemate.

III. What the United States Did

Of the various engagements in which American troops participated, at least five — namely Cantigny, Belleau Woods, the Aisne–Marne, St. Mihiel and the Meuse–Argonne — may fairly be described as battles, although the first two were, reckoned in the scale of world-war conflicts, no more than local affairs, while the third, the Aisne–Marne, presents a confused and confusing aspect, since it was fought under French High Command and American troops were used in various phases and without connected relation. Only St. Mihiel and the Meuse–Argonne are battles in the contemporary sense, and, since they were fought by American armies under American command, furnish a satisfying picture of the American Expeditionary Army actually at work. To these five must be added the battle of the Hindenburg line, in which two American divisions, fighting under British command, played a considerable and useful part. For the rest, although American divisions also fought under Gouraud in Champagne and with the Belgians and French in Flanders in the closing phase, their service, while useful, is indistinguishable.

(*a*) cantigny

While the 26th Division had endured a severe, if local, German attack in the trenches about Seicheprey in the Woevre a month earlier, it is the

taking of Cantigny by the 1st Division which really opens the active military operations of the American Expeditionary Army. On March 21 Ludendorff had launched his gigantic "Kaiser's Battle," which brought the Allied cause to the edge of defeat. On the morrow of this attack Pershing in memorable words had placed his whole force at the service of Foch, newly come to supreme command.

But in March and even in April, the American resources were slender; actually there were not more than the 1st and 2nd Divisions available. Moreover, it is not until April 25, nearly eleven months after its arrival, that the 1st Division actually goes into line. The German drive for Amiens has ended, the new front has stabilised. Ludendorff has won the most tremendous victory of the war, since the First Marne; but he has failed of a decision and must collect his resources for a new effort.

The position taken over by the 1st Division is of utmost importance, since it is north of Montdidier and covering the Paris-Amiens railway, along the new front where the German attack of March was finally pinned down. This new front is not yet consolidated, the trenches are mere traces hastily thrown up in the day of supreme peril. The word now is to hold; the time to counter-attack has not yet arrived.

Nevertheless, after a four weeks' stay, the 1st Division, after long and careful preparation, suddenly rises from its trenches, advances along its whole front, takes the village of Cantigny and its surrounding defenses, consolidates its new gains and holds them. A brilliant opening exploit, costing little in the attack but involving material losses when the Germans begin to retaliate with their heavy artillery. Prisoners and guns are taken and an advance of more than a mile is made on a division front. The affair had begun on May 26 and the news of it is given to the world at the precise moment when Ludendorff makes his second bid for decision — that on the Chemin des Dames. This news, too, will serve as the single solace for the Allied world in the terrible days which follow, solace because it is the first authentic sign that America is arriving. Cantigny is exclusively a 1st Division affair and the 1st Division is a regular division, made up of troops drawn from the standing army.

(*b*) BELLEAU WOODS

America's second battle follows closely on the first. On May 27, when Ludendorff rushes across the Chemin des Dames, across the Aisne and the Vesle and takes up the road for the Marne, the 2nd Division is resting in billets north of Paris. It is under orders to take over portions of the Amiens front near the 1st Division. But on Decoration Day its orders are changed and it is hurried eastward of Meaux along the Paris–Metz road.

At this moment the German drive is just reaching its limit. The Germans have taken Château-Thierry and lined the Marne eastward to Dormans. They have failed to get Reims and have been stopped outside of Soissons. They are enclosed in a deep and awkwardly narrow pocket or salient, and further substantial progress is prohibited to them until they reorganise their communications. They have advanced until they are out of breath and have outrun their supplies.

Already a machine-gun detachment south of the Marne facing Château-Thierry, a detachment belonging to the American 3rd Division, has aided in keeping the Germans north of the river. Now the 2nd Division, the Marine Brigade and two regiments of regular infantry go into action astride the Paris–Metz road, four miles west of Château-Thierry. The ground they occupy is memorable in this war because here there opened that fatal gap between

Bülow and Kluck, which forced the German retreat from the First Marne and the loss of the best chance Germany ever had for victory.

On June 1 the 2nd Division is coming into line. Degoutte's French troops retire through the American lines on the following days. The front stabilises itself. Facing the marines north of the Paris–Metz road is a thick tangle of forest land covering a rugged hillside, a typical New England country-side. In this wood the Germans have established themselves, and are organising cover with their customary thoroughness. It will serve, they think, as an admirable point of departure for the next attack, for the final march upon Paris.

The marines, however, Harbord commanding the marines, Bundy the division, think differently, and, French units coöperating, on June 6 they attack. Their objective is the whole woods before them, Belleau Woods then, the woods of the Marine Brigade for all future time. This attack does not get far. Nor will other attacks make much progress. Not until June 25 will the marines emerge on the German side of the forest, with the task accomplished.

In the struggle they lose 48 officers and 1,176 men killed, 17 officers and 1,528 men missing, 196 officers and 4,879 men wounded. The total casualty account is, then, 285 officers and 7,585 men, 7,870 in all — killed, wounded and missing, nearly 30 per cent of the organised strength of the division. In the battle the division took 24 guns and 1,654 prisoners. It also used up several German divisions, rushed up to hold an unexpected thrust.

Cantigny was a promise to the Allies, Belleau Woods was a threat to the enemy. German experts still disparaged the tactical training of American troops, but they now agreed in asserting that American troops would fight, could fight, and had the value of shock troops. For Ludendorff, Belleau Woods was a foretaste of what the Meuse–Argonne would be.

(*c*) AISNE–MARNE

On July 15 Ludendorff launched his final offensive, which culminated in the second battle of the Marne. His main attack was between Reims and the Argonne on the field of the great battle of Champagne of September, 1915. A secondary and concomitant attack was to be made along the Marne from Château-Thierry eastward. The main purpose was to crush the French armies on this double front, but the immediate strategic purpose was to abolish the Reims salient, drive all the Allied forces south of the Marne from Châlons to Château-Thierry, separating the armies about Verdun from Paris and threatening the rear and communications of all the other French armies from the Meuse to Switzerland.

Almost immediately, however, the German attack between Reims and the Argonne was checked. An answer had been found to the Hutier tactics which had brought victory at Caporetto in 1917, in March, 1918, before Amiens, in April about Ypres, and finally, in May about the Chemin des Dames. By the next day Ludendorff was obliged to abandon his main attack, but the secondary operation along the Marne had met with moderate success, the river had been crossed on a wide front and German armies moving east toward Epernay were approaching that city and threatening all the communications of Reims. Accordingly Ludendorff decided to continue.

We are now at the supreme crisis of the war. A vast German force has engulfed itself in the narrow Château-Thierry salient. Its lines of communication are parallel to the sides of the pocket and perilously near to the firing-line. If the Allies can thrust west out of the Reims salient and east from the forest of Villers-Cotterets, a short advance in both cases will at the least

so menace German communications as to compel the troops fighting on the Marne to retire; it might, with luck, close the pocket in their rear and achieve a gigantic Sedan.

Against such an attack, Foch has made preparations, hasty and incomplete, for all depends upon the success of Gouraud and the French Fourth Army in Champagne. But if it holds then there will be a general attack, the main thrust coming just south of Soissons and directed eastward across the German communications. But, while the main thrust will come south of Soissons, there will be a general attack all round the salient.

For the decisive operation three divisions are marked, the 1st and 2nd American Divisions will attack on either side of the French Moroccans. Southward between the Aisne and the Marne along the Ourcq the 4th American Division will fight. Southward again and facing out from Belleau Woods, which it has taken over from the marines, is the 26th, the Yankee Division. South of the Marne are the 3rd and the 28th, with Gouraud is the 42nd, which will later be moved westward. During the German attack, the first phase of the battle, the holding stage, the 42nd east of Reims and the 3rd south of Château-Thierry will render brilliant service, particularly the 38th Regiment of the latter division.

On the morning of July 18, however, it is the 1st and 2nd which go into action. The moment has come to pass from the defensive to the offensive. Moreover, the Germans along the side of the Château-Thierry salient are asleep. Suddenly out of the mists and fog and through the standing wheat come the Americans and the Moroccans, following a sudden sharp artillery preparation. With them come innumerable tanks.

Along miles of front the German resistance collapses, prisoners and guns are captured in vast numbers, the main lines of communication are approached, commanded and even at points crossed. By night there is no longer any question of a continuation of the German offensive out of the Château-Thierry salient. What is to be decided is whether Ludendorff can save the huge force he has adventured into this abyss.

Meantime all along the line the attack is pressed, the 4th, the 26th, the 3rd, the 28th pass to the attack. On July 19 the German line everywhere wavers. By this time Ludendorff has had enough. Henceforth his effort will be to escape. But, thanks to the pressure of the pursuit, in which the 32nd and 42nd participate and even the 77th joins, he will exhaust all his reserves in the undertaking and be condemned henceforth to the defensive.

In the attack and the pursuit eight American divisions participate, and four are National Guard units, a significant detail. French, British and Italian troops are also in line. But the decisive circumstance is the attack of the 1st American Corps, the 1st and 2nd Divisions in the daylight hours of July 18. The measure of their service is disclosed in their casualties, 7,870 for the 1st, 3,792 for the 2nd. But the 1st took 3,500 prisoners and 63 guns, the 2nd 3,000 prisoners and 75 guns. In the battle and pursuit Americans engaged eight divisions — nominally a quarter of a million men and actually nearly 200,000; their loss was above 45,000 killed, wounded and missing; their captures 9,000 men and 138 guns.

The performance of various National Guard divisions in the pursuit was beyond praise. Still but partially trained they crossed bayonets with Prussian Guard units and prevailed. But for the presence of American regular divisions the counter-offensive could not have been risked; but for the presence of other American National Guard divisions the pursuit could not have been pressed. In the battle and the pursuit more American troops participated than in any previous battle in American history.

(*d*) ST. MIHIEL

The Second Marne and the Aisne–Marne phase of it is the turning-point of the campaign and of the war. By comparison the next American battle is relatively unimportant. In reality the significance of St. Mihiel lies in the fact that, strictly speaking, it is the first American battle, the opening operation of the American Expeditionary Army fighting as a unit and fighting under American High Command. Cantigny, Belleau Woods, the Aisne–Marne — these were the tests which enabled Pershing to make good his demand that American soldiers fight as an army, rather than as scattered fragments, in the several Allied armies.

St. Mihiel was a wholly simple operation, quite like that of the Aisne–Marne, since it consisted in the reduction of a pocket or salient. This salient the Germans had driven into the French barrier lines along the heights of the Meuse in the days of the First Marne in 1914. It extended westward from the Woevre plain, over the heights of the Meuse and included a bridgehead west of the Meuse. Thus it partially isolated Verdun and at the same time enabled the Germans to close the main Paris–Nancy railway.

In the winter of 1914–1915 Joffre had striven desperately to break down the western side of the salient about Les Eparges and had failed almost tragically. A second attempt in the summer of 1915 west of the Moselle in the Bois le Prêtre had been even more costly and futile. After that the war had gone northward, and the St. Mihiel salient remained a thorn in the French flank, but no longer an active sector.

The business of Pershing was now to reduce the salient, both because it offered an admirable field for an opening operation of a new army, and further because such a reduction was an essential preliminary to any attack north and west of Verdun in the Meuse–Argonne region, such as was now being devised.

As planned, the attack would consist of a main thrust upward between the Moselle and the Meuse and a minor thrust outward from the heights of the Meuse north of St. Mihiel. The conception was that these two attacking forces should meet behind the nose of the salient, which was at St. Mihiel, surrounding the Germans inside the loop and capturing them.

The German positions were fortified with extreme skill, were almost impregnable on the north and very strong between the Meuse and the Moselle. Nevertheless, feeling the pressure for reserves Ludendorff was already beginning to draw out of the salient when the blow fell. It caught him unawares and in his own narrative he reproaches himself bitterly for the disaster.

September 12, Pershing's birthday, in the daylight hours the attack was delivered. Between the Moselle and the Meuse the Americans had six divisions in line and two in reserve: on the heights of the Meuse two more, acting in coöperation with a French unit. Between these two groups around the nose of the salient were French troops, whose mission was to gather the fruits when the victory had been won.

From start to finish the operation was a success. Within twenty-four hours the two attacking forces had joined hands behind the salient. The German resistance had collapsed: The wreck of the Germans had retired to the new line drawn across the base of the salient. Prisoners taken numbered 16,000, guns 443, the total American loss being 7,000. As an initial performance it was brilliant in the extreme, and for the Germans terribly expensive now that their reserves were beginning to melt with such alarming rapidity. For all the Allied armies it was a new stimulus; it was the final evidence that Americans had arrived in fact and in force. All told it was for the Allies one of the most profitable twenty-four hours of the war up to

that time, measured by prisoners and guns taken, by ground gained and by the smallness of the cost in casualties.

(e) MEUSE–ARGONNE

With the closing days of September we enter the final phase of the campaign of 1918. The German has everywhere been driven back into his organised positions from which he emerged in March. In the pursuit he has lost enormously in men and in materials, his reserves are disappearing; his confidence is abolished. All his effort now will be concentrated on holding the lines he occupies until winter closes fighting and opens the chances for attaining peace by negotiation. Meantime he is actually preparing to start negotiations.

Foch's strategy will be comprehended in a never-ending pressure, in a series of rhythmic attacks, now here, now there, designed, in sum, to turn the German out of his defences, exhaust his remaining reserves, reduce him to that condition where there can arrive what Napoleon called the "event," namely the collection by the assailant of a striking force and the delivery of a final blow, against which the enemy no longer has any remaining resource.

In this programme the British will attack from Ypres to St. Quentin, the French from the Oise to the Argonne, the Americans from the Argonne to the Moselle, but chiefly between the Argonne and the Meuse. Presently the Belgians will also attack north of Ypres and Italian troops will appear on the Chemin des Dames. At bottom Foch's strategy is that of Grant in 1864. As the American general used Meade, Sherman and Thomas in coördinated attacks calculated in the end to use up Confederate resources, so Foch will employ Haig, Pétain, Pershing. The policy is again attrition, and Foch not only has the men but the machinery to make the German expense vastly higher than his own.

In this colossal operation the American part will be to advance north, between the Meuse and the Argonne, west of Verdun, carry the various German defence systems, reach open country and press down on either bank of the Meuse toward Sedan and Montmedy. Twenty odd miles north of them runs the main German line of communications, the Metz–Lille railway. It is the life-line of all the German armies in France and of most of those in Belgium. If it is cut before the Germans get out, untold thousands of them will be caught like rats in a trap with only the narrow aperture between Sedan and the Dutch frontier as an avenue of retreat and only one railway line to move all their accumulated material of four years of war.

Between the Americans and Sedan lies an intricate region of deep forests, high hills, marshy valleys, most difficult on the west in the famous Argonne Forest, where the attack of the Prussians in the Valmy campaign of 1792 came to grief. The German lines have not only been carefully prepared, but before them is the tremendous glacis of chaos resulting from the great Verdun battle. To pass this, to bridge it when it is passed, this will be a tremendous problem, so great in fact that the Allied authorities, French and British alike, warn Pershing against the attempt and would use his forces elsewhere.

But Pershing insists, has his way and does attack on the morning of September 26, his attack backed by 3,000 guns and aided by a great air concentration, both details largely supplied by the French. His force is organised in three corps, three divisions to each, operating on a twenty-five-mile front. The attack is frontal and straight ahead. The immediate objective the series of German defences as far north as Montfaucon, the hill town which dominates the country. Having "mopped up" all of these, the attack will be

resumed at once and, overrunning the remaining German defences, reach the vital railway.

Successful as it is beyond all reasonable expectation, this opening American attack just misses reaching all of its objectives. Its centre is checked in front of Montfaucon, and before this vital position can be taken the Germans have had time to collect their reserves and pour them into the threatened sector. So, like all similar attacks, the American offensive dies down, the front stabilises again. It will be necessary to bring up new reserves, above all to create communications across the desert. Here is the main problem.

Pershing has advanced six miles, and even seven at points; he has taken 10,000 prisoners and 100 guns. On October 4 he will resume, but this time he is almost instantly checked; the Germans are ready, they still have reserves. Henceforth progress will be slow. An intricate, indescribable battle, reminiscent on a huge scale of the Wilderness in the American Civil War, is joined and continued for more than three weeks, while slowly, resistlessly but at terrible cost in men and in effort, the American army presses on and finally reaches the last German line.

The battle is the battle of soldiers. There is little strategy, hardly more regard for tactics; a young giant and an old veteran grapple, youth against experience and preparation, and the question is always whether youth can endure the agony until age begins to tell. There is nothing in the war more inspiring than the achievement of the young soldiers in the Meuse–Argonne.

Finally, on November 1 age does tell, the German defence collapses along the whole front, now extended east of the Meuse. The American advance becomes a mad scamper, the German is not retiring, he is disappearing, the Metz–Lille railway is first brought under indirect fire and then disclosed along the Meuse to the astonished gaze of the American soldiers facing Sedan. But now, we are on the eve of the Armistice.

In the Meuse–Argonne Pershing engaged 22 divisions, with replacements amounting to 700,000 men. He took 26,000 prisoners, 847 cannon and 3,000 machine-guns and he suffered 117,000 casualties. Against him the Germans used and used up 47 divisions, more than a quarter of their whole strength. In the battle the American army advanced more than twenty miles, reached and crossed the main objective, which was the Metz-Lille railway and had before it at the Armistice no German force capable of checking its further advance. The road to the Rhine was open. In the two months from St. Mihiel to the Armistice, during which American troops fought under American command, they took 42,000 prisoners, 1,290 guns and an accumulation of war material beyond calculation. They also occupied and exhausted more than 60 German divisions, above a third of Ludendorff's entire army.

In the Meuse–Argonne as at St. Mihiel, the American armies were enormously aided by French guns and aircraft, while French ammunition was alone available. Neither operation could have been made without this aid. Moreover, in both cases the strain of organising communications for the moment surpassed American experience and preparation. These things deserve emphasis, not because they were unusual or different from the experiences of other armies in the same stage of development, but because it is always important to make clear the handicaps imposed upon the soldiers by the state of unpreparedness which existed when the United States entered the war and to destroy the evil legend that in a few months, and out of nothing, a country can improvise a perfect military machine.

CONCLUSION

When the Armistice came, America had troops fighting on the Scheldt, the Upper Sambre and on the peculiarly American front between the Meuse and the Moselle, while there were other divisions ready to join in the proposed attack between the Moselle and the Saar. She had engaged 29 divisions and had 13 more available. She had two armies organised under Generals Liggett and Bullard. She held more line than the British and nearly as much as the French; and alone of the commanders of national armies, Pershing reported his forces as ready to continue during the historic session which framed the terms for the German surrender.

In sum, America came to the battle of France as Blücher came to that of Waterloo, bringing the reserves of victory, engaging the enemy before he could achieve a decision, drawing off his reserves at the critical moment and finally supplying the Allies with a reservoir of man-power which enabled them to seize the offensive, break the power of resistance of an enemy already exhausted by his supreme effort, and join in the pursuit which had no visible terminus at the moment when the Armistice ended the fighting.

It was the existence of American divisions available for action which enabled Foch to risk the counter-offensive of July 18; it was the actual fighting of these divisions which permitted the victory and insured the exploitation of it, which was so fatal to the Germans. These first divisions, then, enabled the great French Marshal to regain the initiative, while St. Mihiel and the Meuse–Argonne sucked in so many more German divisions, otherwise available against the French and the British, that on Armistice morning Ludendorff was destitute of all further resources. He was powerless before a blow which was already impending.

CHAPTER XII

THE STRUGGLE FOR SUPREMACY ON AND UNDER THE SEAS

By Oswald T. Tuck

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Whatever may have been the causes which overwhelmed the world with war in August, 1914, it was not welcomed by the German Naval Authorities. The fleet they were building would not be completed till 1920. Their ally, Austria, was not expected to be of any assistance; they realised that they would have to bear the whole brunt of the naval operations alone. From every standpoint it was clear that their position was bad. Their ships were greatly outnumbered by the British. Between them and the open ocean lay the British Isles, shutting them off from sea communication with their colonies and with the few cruisers they had been unable to recall. The only plan, since war had been determined upon, was to abandon these to fend for themselves and concentrate on reducing the margin of British superiority sufficiently to permit their main force, the so-called High Sea Fleet, to come into action. Till then it was to be kept intact behind the barrier of forts and sandbanks which guard the German coast.

TRIPLE AIM OF THE BRITISH FLEET

This suited well the British war plan. It was based on the principle that the Germans must be prevented from attacking in force the shores of the British Isles or the shipping on which the life of the nation depended. It had, moreover, to recognise that the British army might cross the Channel and operate with the French. During the army's passage its protection would be the third of the main tasks of the British navy. All these objects would be attained if the German fleet could be destroyed in battle; but in view of its inferiority it was hardly likely to seek action. There remained only to blockade it. Since in the face of submarines a close blockade of the German Bight was no longer practicable, for the main or Grand Fleet of Great Britain a base was chosen at Scapa Flow, in the Orkneys, beyond what was considered the effective range of submarines. The battle squadrons were not to remain in harbour; they were continuously to sweep the waters between Scotland and Germany ready to engage the High Sea Fleet should it put to sea. However, German light forces might raid the transports continually passing between England and France. To stop these raids the older warships were disposed on either side of the transport route, while half the best destroyers and all the latest submarines, based on Harwich, were to sweep the southern part of the North Sea and obtain early information of enemy movements.

The events of the first six months of the war followed naturally from these plans. The German fleet did not seek action. The Harwich Force made several raids on the outposts in Heligoland Bight, provoking the Germans to reply. Their answer took the form of combined mining and bombarding raids, the towns chosen being generally those undefended. On two occasions the raiding force returned scot-free; but on the third they fell into the hands of the British battle-cruiser force under Sir David Beatty and narrowly escaped destruction. The incident deepened the Kaiser's anxiety not to risk his heavy ships; and the Commander-in-Chief, Admiral von Ingenohl, was relieved by Admiral von Pohl with orders that unsupported raids were to cease.

FAILURE OF FIRST GERMAN WAR PLAN

Apart from these raids, which had no further object than to annoy the adversary, the war was being carried on for the Germans by the submarine and mine-layer, employed in the policy of attrition. They were meeting with little success. Such losses as they were able to inflict were more than made good by newly built ships. Moreover, the German plan of laying mine-fields secretly in unannounced positions enabled the British to declare the North Sea a dangerous area and to restrict neutral shipping to certain definite routes where it was easy to exercise control. The number of contraband-runners that escaped the British fleet must have been very few. But, indeed, there was little need of contraband-running. Great Britain in her respect for International Law and the rights of neutrals as yet saw no way of preventing a vastly increased import by the nations bordering Germany, although there was little doubt that most of the goods imported found their way across the German border. Nevertheless, the watch for contraband had to be continued, even though it was felt in the fleet to be a farce.

Abroad, German naval power and the movements of German shipping had come to an end. In the Mediterranean quiet had reigned for many months. At the outbreak of war a formidable ship, the "Goeben," the latest of the German battle-cruisers, was at large and a menace to the transportation of the French troops from Morocco to France. The chief task of the British squadron in the Mediterranean was to help the French, who by a convention signed on August 6 were given supreme command in that sea. The whole French battle-fleet massed in those waters afforded direct escort to the transports, and the services of the British squadron were not required; but communication between the French and British was incomplete and through a lack of concerted effort the "Goeben" escaped to Constantinople. At first it was thought she was interned; but this was soon seen to be a mistake. The Turkish Government announced that they had bought her in place of two dreadnoughts preëmpted by the British; she hoisted the Turkish flag, and through her Germany exercised strong pressure on Turkey. At the beginning of November a British ultimatum that she and her crew must be interned received no response, and the Allies commenced hostilities by a bombardment of the forts at the entrance to the Dardanelles. As they did not proceed to occupy them, the demonstration merely hardened Turkish obstinacy, especially as months elapsed before anything more was done.

Outside the Mediterranean, squadrons of British cruisers, reinforced in some cases by French warships, occupied the important confluences of trade. The trade routes were not patrolled nor, indeed, did British ships follow their normal tracks. In the open sea they were instructed to scatter singly so as to present as little target to a raider as possible, and a State Insurance Scheme indemnified ship owners in case of loss. But before the war was a

fortnight old the whole system of trade defence had been weakened by the necessity of escorting home the garrisons from abroad in order to swell the force in France. From so far as China the cruiser system had to bear the unexpected burden of escorting troops; and in the Indian Ocean the whole British squadron was occupied in escort. It was here that the German cruiser "Emden" made a brief and boldly executed raid. The "Karlsruhe's" equally successful career in the Atlantic was cut short by an internal explosion. The other German cruisers made little impression.

DESTRUCTION OF VON SPEE'S SQUADRON

Apart from the isolated German ships the only squadron was that of five vessels under Count von Spee, stationed in the Pacific. That ocean became untenable when Japan declared war on Germany on August 23. The German colonies, one by one, were occupied by the Allies; and as, moreover, the German system of supply from neutral ports broke down under the vigilance of the British cruisers and the rigid neutrality of the countries not yet at war, Von Spee as a forlorn hope decided to make for Germany. Off the coast of Chile he met and defeated a weak British squadron under Sir Christopher Cradock, who was lost with his flagship; but the German Admiral met his fate near the Falkland Islands where his squadron was destroyed on December 8 by Sir Doveton Sturdee, specially sent out with two battle-cruisers by Lord Fisher, the First Sea Lord of the Admiralty. One German ship, the "Dresden," escaped, to be destroyed a few months later.

Altogether the first six months of war had given Britain a stronger naval position than she had hoped to win. Her imports flowed in unchecked; her army and its reinforcements had landed in France without the loss of a man or a pound of baggage; her coasts, except for a few futile bombardments, were inviolate. She seemed to have secured all the results of naval victory.

SUBMARINE WAR ON MERCHANT SHIPPING

But Germany was contemplating a new and untried form of warfare. Having failed to make any appreciable mark on the British fleet she now decided to give Great Britain the mortal wound by bringing her imports to a standstill. This is a recognised object of warfare, and had been successfully achieved by the British so far as consideration for neutral Powers would permit. Germany, with her surface ships immobilised, could carry out her decision only with the submarine, a craft which by its nature was unsuitable, since though it could destroy ships it could not in itself bring them in for adjudication nor even provide for the safety of the crews, as had been the practice. Nevertheless, on February 18, 1915, there was brought into force an announcement that Germany would attack all shipping in the neighbourhood of the British Isles, and it was soon clear that the submarine was the instrument she was employing. Large merchant ships were given a defensive armament, the patrol craft were increased, and the Straits of Dover and other channels were netted; but no really effective reply to this new weapon had as yet been devised, and in the first six months nearly 200 British merchant ships were destroyed, only a few submarines being lost in the process.

SINKING OF THE "LUSITANIA"

Nevertheless, the inherent objections to the use of submarines were operating. Their frailty, and the fact that certain liners carried a couple of guns astern, gave Germany an excuse for torpedoing large vessels without warning; and many neutral ships were destroyed. On May 7, 1915, the "Lusitania," one of the largest British passenger liners, was sunk without warning, and over a thousand men, women and children were drowned. Among them were citizens of the United States. That country refused to accept the German plea of military necessity, and in September Germany restricted her submarine campaign to waters where American vessels were not found; for more than a year the Mediterranean became the main theatre of the terrible struggle.

There great events were in progress. Lord Fisher had been devoting his energies to building a large fleet of craft which he intended for a landing on the Baltic shores of Germany. The scheme, however, was deemed impracticable; and, instead, the British Government decided to make an attempt to capture Constantinople by a combined military and naval attack on the Dardanelles. The various parts of the operation were not well coördinated; and when after some delay the troops landed, they found that in spite of heroic efforts they could not make appreciable progress. The submarines took toll of the supporting forces and supply ships, and the prospect of success receded till, in January, 1916, the attempt was abandoned and the Gallipoli peninsula evacuated. The general failure of the Dardanelles Expedition had been redeemed by the intrepid action of British submarines, which penetrating the mine-fields and nets of the Narrows had cut the sea communication with the peninsula. One of these, commanded by Capt. M. E. Nasmith, sank 89 Turkish vessels and put out of action several others — the most impressive submarine feat of the war, far outweighing anything the Germans did.

Most of the troops which had been on the Gallipoli peninsula were transferred, first by the French and later by the British, to the port of Salonika in Greece where they remained for years awaiting orders to advance. The move did not lighten the naval task of protecting their communications; and the absorption of naval effort in this duty left little to spare for direct attack on submarines. These used as bases the Austrian ports in the Adriatic and passed out to their cruises by the Straits of Otranto. When Italy joined the Allies in May, 1915, it became possible to attempt to bar these straits; and a fleet of British fishing vessels endeavoured to keep the raiders in by a barrage of nets. They were several times attacked by Austrian cruisers; but the barrage was steadily maintained, as yet with little success, for most of the losses of merchant ships at this period of the war occurred in the Mediterranean. Meanwhile, the campaign in home waters had been limited to the North Sea and Channel. German ingenuity evolved a new type of mine to be discharged from a torpedo tube, and boats fitted for this had been laying these ugly eggs in clutches of half a dozen all along the coast. The losses from these mines were considerable; but the mine-sweeping service, now a vast organisation, redoubled its efforts to keep the channels clear, and frequently mines were swept up within a few hours of being laid. The German naval authorities made repeated attempts to obtain the Kaiser's assent to unrestricted warfare, that is, torpedoing at sight; but they were defeated by the action of one of their own submarines in sinking a passenger ship, the "Sussex," and drowning a number of American citizens. The United States once more protested with such force that the Kaiser ordered all submarine

warfare in future to conform with the Prize Law, which insisted on visit and search before action and on reasonable precautions for the safety of passengers and crew.

BATTLE OF JUTLAND

The order reached the High Sea Fleet at sea out on another bombarding raid; it was now under Scheer, an officer of great energy. For submarines to work by the Prize Law, in view of the activity of the defence, seemed to him to mean annihilation of the frail craft and he ordered his boats home. There were a number of smaller submarines operating from Zeebrugge; these also went home and for several months attacks on merchant ships in home waters came to an end.

Scheer now planned to use his submarines in a fleet operation; his idea was to station them off the harbours in which the British lay waiting and then by a sortie of his battleships, to attract out some part of Jellicoe's fleet. When the plan was put into effect the British fleet put to sea as expected, but its rapid evolutions baffled the watching submarines, and on May 31 off Jutland it suddenly appeared in full force out of the mist in front of Scheer. He had no intention of engaging more than a detachment; and by a well-executed *volte-face* he was able to hide himself in the mist before the British fleet could turn and follow him. When night fell, Scheer dodged round behind his adversary and brought his fleet in safety home. Though the waiting submarines again failed to hit any ships when the British fleet returned to harbour, in the few minutes of firing while the main fleets were in contact both sides suffered some losses. Still, the action left the relative positions much as they had been; the British battle-fleet remained too superior for Scheer to risk a decisive action. He made one repetition of his plan, without any special result; but a third attempt became impossible, when in October his submarines were ordered to resume the war on commerce.

The British navy fought the submarine by every mechanical device that genius could invent and every stratagem that courage might suggest. Even with the most rapid construction of destroyers and the nearly complete absorption of the fishing fleets in the anti-submarine service, there were too few vessels for more than a continuous patrol of certain avenues of approach. In these areas any submarine which betrayed its presence was hunted. If on the surface it was fired on; when it dived, the patrol boats clustered round and dropped bombs on it. The submarines were driven further and further from the British Isles till they could find leisure to work only in mid-ocean. Here they found their prey.

THE NEW Q-SHIPS

But sometimes the bait concealed a hook. A submarine carried only a limited number of torpedoes and preferred to sink her quarry by gunfire. This suggested to a fertile brain the idea of heavily arming a harmless-looking tramp steamer, concealing her guns under deck-houses, and then waiting for a submarine to approach. At first there were successes with these so called Q-ships, but some submarines which escaped after attack gave warning, and thenceforward they were very wary. It fell to the lot of the Q-ship crews to be shelled for hours, to be torpedoed, to have their ship set on fire, all the while hoping that before she sank they might entrap the cunning enemy into presenting a reasonably hopeful target. Nothing that would

frighten him was allowed to appear; indeed, several times men sank with their ship rather than give away her real character. The stories of the Q-ships stir the deepest emotions.

By all these means the submarines were hampered in their work of destruction. In fact, the shortage of shipping from which the Allies were beginning to suffer was not so much due to the losses at sea as to the enormous amount of tonnage demanded for the supply services of the armies and navies, not only of the British but of the French and Italians. Consequently, only two-thirds of the vessels afloat were available for the work of import; and the people of Great Britain especially were dependent upon foreign meat and grain for the next meal.

If the Allies were suffering severely it was equally true that the situation of Germany was almost desperate. Success on the military front seemed further off than ever; and the British blockade was at last effective, for, by withholding coal from companies known to be trading with Germany, Great Britain was able to restrict almost completely the supplies of her enemy. Gradually Germany was forced into the position of a beleaguered and starving town.

But surrender was still far off. Experts assured the Kaiser, that if the submarines were freed from all restrictions, they could in a few months eliminate England from the war and secure for Germany a victorious peace; even if the United States declared war the American army, when raised, would never reach the scene of action. At length convinced by these arguments the Kaiser agreed; but to avoid further bloodshed he delayed the executive order till he had made an offer of peace.

APPARENT SUCCESS OF UNRESTRICTED WARFARE

Unfortunately, the offer was couched in such terms as a victor uses to the vanquished. The Allies were far from that position and they rejected it without discussion. Then to a listening world Germany announced on January 9, 1917, her intention of resorting to unrestricted submarine warfare. At first the expected success seemed attainable. The number of ships sunk leaped rapidly upward till in April, 1917, it reached the total of 440. In that month more than a thousand British seamen, non-combatants, were killed; one ship in every four that left the British Isles never returned. In face of so appalling an attack it might be thought there would be difficulty in obtaining crews; but men twice and thrice torpedoed sought a fresh ship as a matter of course, and the courage of the British merchant seamen shines bright in the record of those dreadful times.

THE CONVOY SYSTEM

Even before unrestricted warfare Germany had made a determined effort to stop neutral shipping; in October, 1916, Norway and Sweden lost 85 vessels and, finally, Scandinavian ships refused to sail without escort. Various methods of protection were tried and found useless, till the only means left was to collect the ships into convoys and give each convoy an escort strong and numerous enough to keep the enemy at bay. It may seem strange that so obvious an expedient had been so long delayed. But, in truth, the idea had received a great deal of attention. It had objections: from the mercantile side in the inevitable slowing down and restriction of voyages, from the

masters of ships in the difficulty of manoeuvring in squadrons, and from the naval authorities in the lack of sufficient craft to supply the escorts; for, so long as the German High Sea Fleet remained in being, the British Grand Fleet must be kept equipped to meet it. In spite of these very real objections the first convoy left the Humber for Norway on April 29 and arrived unharmed. It soon became clear that the difficulties had been over-estimated, and it seemed that the antidote to the submarine had at last been found. A special department came into being to organise a world-wide system; the neutral Powers agreed to obey its orders; and soon shipping in all the threatened areas was collected in convoys. In proportion as the system became universal, losses began to diminish.

A convoy at sea was a sight not to be forgotten. An ingenious method of dazzle-painting had been introduced, and in the periscope of a waiting submarine would appear out of the mist a shapeless mass of stripes and blurs, continually changing as the vessels zigzagged, and presenting no definite target on which to set the torpedo. Destroyers and patrol craft kept off the enemy, which after dogging the lumbering mass for days might have had not a single chance of successful attack. The zigzags, the painting, the escort, all combined to baffle the submarines, which now in addition to finding their prey becoming inaccessible were obliged to run into danger in order to seek it. There were cases where a submarine, eagerly watching a convoy through her periscope for a chance to fire, was pounced on from behind and bombed to death.

Further, the bases to which the submarines had to return and the routes by which they approached them were increasingly blocked by mines. The mine had been regarded by Great Britain in peace time as the weapon of the inferior power and not suitable to a navy which intended to use the sea as its highway. It had received little more than perfunctory attention, with the result that the British mine in the first years of war proved hopelessly inefficient. Only after study of the German mines was an effective type evolved, and even then supplies were not ready in sufficient quantities till September, 1917. From that time onwards Heligoland Bight was so thickly mined and the German mine-sweepers so often raided that the keeping of clear channels for the passage of submarines as far out as 150 miles became the principal work of the whole High Sea Fleet.

THE UNITED STATES ENTERS THE WAR

In declaring unrestricted submarine warfare the German Staff had reckoned that it would achieve its object before the inevitable entry of the United States into the war could affect the issue. It seemed at first that they were not wrong, for it was not till April, 1917, that the United States declared war. Her first contribution, six destroyers, reached Queenstown on May 2, 1917, passing the very spot where two years before a hundred Americans had been done to death in the "Lusitania." By the end of the year, 37 American destroyers had arrived and were assisting with the convoys, for whom the escorts were still all too few.

But, from a naval point of view the principal effect of the entry of the United States into the war was the increased stringency of the blockade. The actual stoppage of German supplies ceased to be a naval operation; it was performed in American custom-houses, and the import of the neutral countries bordering on Germany became so restricted that they could no longer spare anything to send across the frontier.



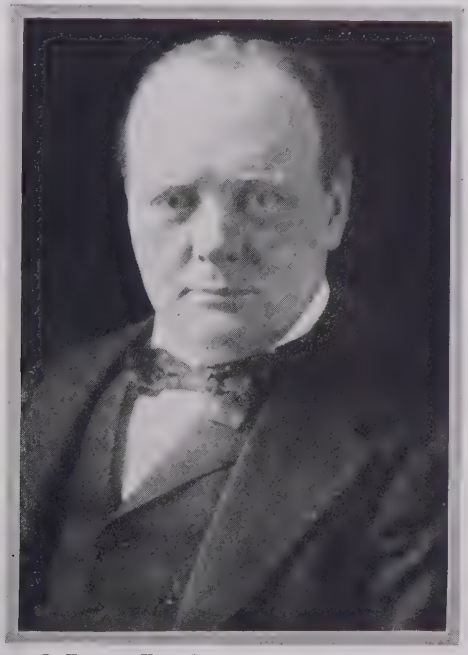
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Lord Fisher, First Sea Lord from November, 1914 to May, 1915, when he resigned owing to his opposition to the Dardanelles expedition.



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The Marquis of Milford Haven, formerly Prince Louis of Battenberg, First Sea Lord in 1914. He is given much of the credit for the mobilization of the Fleet.



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Rt. Hon. Winston Spencer Churchill, First Lord of the Admiralty from 1911 to 1915, where he displayed great vigour, industry, and imagination.

With an efficient mine at their disposal the British again attacked the problem of closing the Straits of Dover. A strange form of barrage was created. The mines were laid deep and the area above them was intensively patrolled by vessels carrying flares and powerful lights, the effect of which was to make the Straits as bright as day. For a submarine to attempt to pass on the surface meant certain destruction by the patrols; to proceed submerged was to meet an even more horrible end on the thickly laid mines. By the middle of 1918 the Straits were at last impassable, and though the Germans made two destroyer raids on the patrols, they could not succeed in opening the barrage.

ZEEBRUGGE HARBOUR CLOSED

The command at Dover was now in the hands of Sir Roger Keyes, whose active temperament was not content with a watching rôle. Zeebrugge and Ostend on the Belgian coast were the outlets for the numerous smaller submarines which operated on the east coast of England, and though the approaches had been many times mined, the Germans swept the channels and continued to come out. But on April 22, 1918, a strangely assorted squadron set out from Dover. In it were ancient cruisers, Liverpool ferry-boats, submarines, destroyers, motor-boats, trawlers — all bent on fulfilling their part in a carefully rehearsed performance. The drama was played at Zeebrugge; the trawlers swept a way through the mines; the motor-boats sent up a smoke screen, under cover of which the ferry-boats landed parties of men on the heavily defended Mole; the submarines blew themselves up under the piers; the men on the Mole fought their way to the guns commanding the entrance; and the old cruisers steamed in to block with their carcasses the canal which was the main exit for the Flanders submarines. The operation, carried out with extraordinary skill and gallantry, was almost entirely successful; and though Ostend remained open, Zeebrugge, that thorn in the side of England, lost most of its power to torment.

THE NORTH-SEA BARRAGE

Heligoland Bight was now so thick with mines that submarines were making their way out to the Atlantic by the Cattegat, a route which lengthened their voyage but made it incomparably safer. A mine-field laid in the Cattegat proved ineffectual; and the grandiose scheme of making a complete barrage across the North Sea between Scotland and Norway was devised. It received enthusiastic support from the Americans. They arranged to lay the middle and eastern portions of this immense barrier; and soon after it was begun a United States mining squadron arrived. This huge undertaking absorbed most of the American naval effort in European waters during the remainder of the war. As it progressed it narrowed the opportunities for submarines to reach the open sea where they could best hope to work.

The submarine was gradually being mastered; no longer was it possible for her to use her gun, except on small sailing vessels which by their nature were unconvoyed. The mine-sweeping service had so far countered the mines that in four months only one ship was lost on them. The submarine's sole chance of achieving her object was to let fly a torpedo into the thick of a convoy or at a ship which had dropped astern. Never did she dare to reveal her presence, and all the steamers lost were now torpedoed without warning. The numbers fell month by month while the toll of lost submarines increased.

American troops poured into France. The submarine campaign had failed. Mutiny broke out in the High Sea Fleet, and despair began to settle on the councils in Berlin.

The German army was in no better case than the navy. A tremendous effort to break the Allied line had, like the submarine campaign, ended in failure; and in September Germany began to retreat. The final blow came from the south where, years before, the British had knocked at the gate of Constantinople. At the failure of the Dardanelles Expedition in 1915, Bulgaria, anxious to share in the spoils of war, changed her attitude of friendliness to the Allies into an active union with Germany. She was left untouched at first; but now at last the Allies made a serious advance from Salonika and Bulgaria succumbed at once. Peace was declared with her on September 30. Four days later Germany and Austria proposed an armistice to discuss terms of peace.

THE GREATEST NAVAL SURRENDER IN ALL HISTORY

Though unconditional surrender might have been demanded, it was not pressed by the Allied army commanders; the Allied Admiralties, however, secured the delivery of the whole effective part of the German fleet into their custody. In the dusk of a grey November day Sir David Beatty, now Commander-in-Chief, received the Great Surrender, the greatest in the history of the world, as the German High Sea Fleet filed past his flagship. It was berthed in Scapa Flow while the plenipotentiaries settled its final disposal. A long line of submarines was piloted into Harwich, affording the British destroyers the unaccustomed spectacle of a German submarine on the surface.

When at last the Peace Treaty was drafted it left Germany a mere skeleton of a fleet, nothing more than a group of antiquated vessels. But the German navy was not to disappear without a dramatic gesture. As soon as it was clear that the Treaty must be signed, secret orders came from Berlin to Scapa; and one day the High Sea Fleet was seen to be sinking at its moorings. Soon the German navy had disappeared. German historians claim that because their fleet was surrendered without a battle it had never been defeated; but if to-day they seek it, it is to Scapa they must go; there, the High Sea Fleet lies still in its lonely grave.

CHAPTER XIII

THE GERMAN NAVY IN THE WORLD WAR

By Grand-Admiral Alfred von Tirpitz

Father of the German Navy. From 1897 to 1916 Secretary of State for the Imperial Navy. Author of Naval Bills of 1898, 1900, 1906, 1908 and 1912.

FOR WHAT PURPOSE WAS THE GERMAN FLEET BUILT?

If I were addressing an American reader, I could be very brief in discussing the reasons for the naval legislation of 1900, which determined the construction of the German fleet, since the United States has on its own part entered on a period of successful rivalry with the most powerful fleet in the world. The only drawback to a perfect analogy is the fact that the German fleet, which the law in question was intended to call into being, and which was to be completed by the year 1920, never soared so high in its aspirations as does the American creation. Proof for this statement, which no propaganda however skilful can put aside, is furnished by a tabulation of the naval budgets of the countries in question in the period before the war:

In the year 1913 the following sums were expended for the respective navies:

	Totals	*Per Capita of the Population*
England	236 Million Dollars	5.13 Dollars
United States	148 " "	1.53 "
Russia	124 " "	0.79 "
Germany	117 " "	1.73 "
France	103	2.59 "

In the ten years preceding the outbreak of the World War, the three largest maritime powers expended on their navies the following sums:

England	1,920 Million Dollars
United States	1,280 " "
Germany	870 " "

Ten years later the scene-shiftings have resulted in a fundamentally different picture. The instability of exchange renders every attempt at absolute accuracy impossible, but according to the most reliable figures accessible to me, the naval budgets for the year 1923 provide for the following:

	Totals	*Per Capita of the Population*
England	296 Million Dollars	6.27 Dollars
United States	308 " "	2.79 "
Germany	6.5 " "	0.11 "

These figures are taken from the *Nauticus* of 1923, page 342 and following, where they are given in gold marks. For purpose of comparison, they are here expressed in dollars (1 dollar = 4 marks).

The elimination of the German fleet has not only not diminished the size of the naval budgets of the world; it has swollen their volume. The tidy amount which Germany paid before the war is now added to the American

account. The United States has, as it were, assumed Germany's burden, inasmuch as the English fleet, feeling itself no longer held fast in the North Sea, has developed into an Atlantic and a Pacific fleet. The table given shows that before the war not only England and the United States, but our Continental neighbours as well, exceeded us in the volume of their naval expenses — Russia absolutely, and France at least in proportion to her population. It therefore appears singular that England was always inquiring of us, why we were engaged in fleet construction, since all the world was doing it. The thought is a natural one, that the purpose of creating power is to inspire others with a dread of attacking it. In June, 1923, the British Prime Minister, Mr. Baldwin, gave as the reason for building an English airfleet, that it would protect Great Britain against attack from the strongest air-power that could reach the English shore. If we substitute sea-power for air-power, this statement coincides, practically word for word, with the explanations which accompanied the construction of our fleet. The German fleet was built as a so-called risk-fleet, that is to say, it was to be so strong that an attack on it, even on the part of our strongest opponent, would be accompanied with very considerable risk. If now English propagandists, as for example Winston Churchill in his rather journalistically written book on the *World War*, take occasion to jeer at me and at this plan of a risk-fleet, they as victors have an easy task, however lacking they may be in tact. As a matter of fact, Churchill's *ex post facto* laboured construction is incorrect, and has been controverted since the war by the *Recollections* of Lord Jellicoe.

GERMANY'S POSITION DEMANDS A STRONG FLEET

Our geographical position made it absolutely imperative for us to provide strong bulwarks of safety against attacks from without. Americans, fearing neither territorial assaults nor any insidious attempt to undermine the unity and integrity of their commonwealth, find it hard to realise the situation of a nation like Germany, hemmed in for centuries between the most powerful and warlike states in the whole world, inhabiting a contracted domain protected by no natural boundaries, a country which, century by century, had been devastated, depopulated, and reduced to scarcely conceivable conditions of poverty.

For the past thousand years, and in countless offensive wars, France has never deviated from her settled purpose of wresting the German Rhine from us. Notwithstanding England's many quarrels with France, that nation has continuously and as a matter of course acted in unison with France, whenever it was a question of preventing the unification of Germany. Prussia had hardly begun to attract notice, when England promptly and faithlessly deserted her ally, Frederick the Great, as has been graphically described by Admiral Mahan. When, after the overthrow of Napoleon, Germany was ambitious of achieving a condition of greater unity as a State, the same England, this time Germany's hard and fast ally, united with her hitherto sworn and deadly foe, France, to frustrate Germany's desire. This consistent policy on the part of Great Britain, against the natural union of the branches of the German stock, was repeated in 1848, 1864, and even in 1870. I need only mention the black realities of the present moment (1924), which depict us shorn by the same pair, France and England, in union if not in amity; and this time robbed of our purely German lands on the Rhine and the Saar, of Alsace, German Austria, Upper Silesia, Danzig, Memel, etc. These things furnish the final proof of the dire necessity we were under, of fashioning for ourselves weapons of defence.



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The once powerful German High Sea Fleet as it appeared during the manoeuvres held shortly before the outbreak of the World War, when it was the second strongest navy in the world. The story of its subsequent surrender and scuttling is one of the most dramatic in all naval history. (Inset, © *Keystone View Co.*) Admiral von Tirpitz, the soul of the former German navy. In seeking to induce the German nation to agree to the huge expenditure which his projects involved, he organised a strong publicity campaign. He is the contributor of the chapter on the German navy to *These Eventful Years*.

ENGLAND THE ENEMY OF GERMAN TRADE

Since the year 1895, considerably before the existence of any German fleet worth mentioning, England had been the avowed enemy of our industrial trade development. We had grown to be commercial rivals. As the English Prime Minister, Mr. Baldwin, in his speech at Manchester, November 2, 1923, bluntly put it: "Towards the end of the last century, our commercial predominance became imperilled, especially by two rivals, Germany and the United States. This rivalry it was necessary to forestall, and by the time it had reached its climax came the World War." What the Prime Minister meant by his last words, he is at liberty to declare, but we are also at liberty to conclude. Even if England had been willing to concede, for instance, German predominance in such a speciality as the manufacture and handling of chemical products, the further fact that our steel products were forging ahead of the English was felt as a deadly thrust into the very centre of English commercial pride. Old accustomed feelings of superiority were further wounded by the increase in German shipping and oversea trade. Just before the second war with Holland (1663), while a discussion was going on as to how a declaration of war could be justified, the English Admiral Monk called out to the waverers: "What we want is a slice more of the trade the Dutch have gotten in their hands."

It had been my habit, since the 'nineties of the last century, to have all the leading English newspapers and journals laid before me, so that, beginning with the notorious "Germania delenda" article in the *Saturday Review*, their hate-envenomed floods of print came very frequently under my eyes.

The feeble German counter-propaganda sounded like the naïve prattlings of children. But while the Germans themselves were scarcely aware of the arguments made in their defence, to the English propagandists they were a highly welcomed material, and were carefully selected, arranged and hawked about. In the European crises between 1905 and 1911, England was from first to last the inciter to hostilities. We on our part were well aware that England was the secret manipulator of that process of isolating Germany, which led first to the outbreak of the World War, and then by virtue of the enormous predominance of power on the side of the Anglo-Saxon, Slavic, and Romance *Entente* nations, not to mention the further whipped-in concourse of smaller peoples, led to Germany's crushing defeat. During the thirty years preceding the war, Germany and England were separated by a fundamental difference of policy which can be stated in a single phrase: on Germany's side the effort to overcome or to moderate the tension between the European Powers, while England always, from the time of Lord Salisbury, sought to maintain this tension, in order to have a free hand in Asia and Africa for compensatory bargaining.

Any willingness on our part to give up or to slacken our fleet-building would have protected us in no way from England's commercial jealousy and its consequences. For proof of this one need only point to the conditions at the present moment (January, 1924). Only the other day Lord Birkenhead, in a public speech in Vancouver, declared that any policy of compelling Germany to assume the burden of reparation payments would threaten the national life of Great Britain, inasmuch as Germany's competition for the world's trade would cause the break up of the British Empire. Is there any American living who believes that England would have tamely suffered a Germany with no sea-power at its command to outstrip her commercial rival, England having all the while the power to impose on us a prohibitive tax, large enough to paralyse our industries? Such simple-mindedness might

strike root here and there in the brain of a politician; at the Central Office of the Imperial Sea Service we could not afford to entertain such notions. We believed that the English mind still adhered to the confession which Goldsmith's *Deserted Village* sounded in a clarion note:

> "That trade's proud empire hastes to swift decay,
> As ocean sweeps the labour'd mole away:
> While self dependent power can time defy
> As rocks resist the billow and the sky."

The only real protection to Germany's world's commerce and the sole remaining possibility of feeding an increasing population, those "20 millions *de trop*," lay in the construction of a fleet; not a fleet which should inspire us with wild thought of attacking England, for peace alone could bring us any profit or advance; but on the other hand a fleet powerful enough — were we attacked — to so cripple England that it should forfeit its monopoly on the seas. We were bent on creating a guarantee of peace, an instrument which would cause England to respect the vital interests of Germany, however irksome this might be to England's commerce, and to negotiate with us on equal terms, whenever differences of opinion might arise. If the English statement characterised our fleet as an expensive luxury, this convenient designation on their part was powerless to produce any impression upon us; far more justly might the possession of a fleet by any other nation have been stigmatised as a luxury, rather than by Germany. England knew full well that in case of war Germany, without a fleet at its command, would starve unless indeed general maritime disarmament on the part of all nations became a reality. It is necessary to add that the creation of a fleet entailed the further obligation of developing a corresponding governmental policy, which the German Foreign Office did not uniformly succeed in doing.

HOW THE GERMAN FLEET WAS BUILT

The German fleet legislation of 1900 was introduced and carried through with the fullest publicity and with clearly stated explanations of its aims. The sole modification (for what was new in 1906 was in reality a part of the legislation proposed in 1900) occurred in the year 1911–1912, at which time our general plan of defence rendered a change in the organisation necessary to the extent of authorising the construction of two additional ships. Our naval service had nothing at its disposal corresponding to the long-service men in England, and this rendered additional preparedness all along the line necessary, after England had concentrated its entire fleet in the North Sea.

Battleships, not cruisers — since we lacked naval bases — constituted the nucleus of our fleet, according to the teachings of the great American expert, Mahan. Submarines, which since the days of Fulton had not ceased to engage the attention of naval constructors, were not yet technically fit for ocean service, while ships for coast defence were of no use to us. Not until 1910 were submarines capable of high-sea service. At the beginning of the war we had at our command a larger number of high-sea service submarines than all the navies of the world combined, but this state of things did not warrant plans for a general blockade of England, aside from the fact that we had formed no plan whatever for attacking that country.

THE GERMAN FLEET DURING THE WAR

Our geographic situation prescribed boundaries for the possible scope of action of our fleet and determined its necessary plans of action. The English fleet, in its quality of "fleet in being," fulfilled the twofold function of protecting England and blockading our coast. This explains the skilful manoeuvre of the militarists in preventing the ratification of the London Declaration of maritime law, notwithstanding its acceptance in 1911 by the House of Commons. No sooner had war been declared than England proceeded promptly to disregard each and every provision of the naval code, not only towards us but towards neutrals, with the purpose of adapting its blockade to the peculiar German-English situation. On November 2, 1914, England declared the North Sea, in its entire extent, included in the region of hostilities. Lawful protests on the part of neutral powers were ignored. America too often forgot that it was England, which on November 2, 1914 — first of all the Great Powers — issued a war-zone declaration devoid of any basis in maritime law, and that England, by and through this declaration, compelled Germany to issue a similar declaration on February 4, 1915.

The aims of the German fleet could be no other than to break up the English blockade. The sole method of accomplishing that end was by opposing fleet to fleet in a general engagement. We were, to start with, in an unfavourable situation for accomplishing this result, for we had not expected war and had up to July, 1914, made no preparations whatever for such an event, while the English were not only from the outset in a high condition of preparedness, due to the possession of the long-service men, but also owing to the fact that the whole mobilised Grand Fleet of Great Britain was lying at anchor at Spithead Roads in July, 1914. This was one of the reasons why our Admiralty staff did not in the first weeks of the war risk a general engagement. In accordance with our system of defence, fully half our fleet could not be declared ready for service until several weeks of preparation had passed.

Notwithstanding all this, I considered a decisive general action to be our first duty, and documentary evidence now at hand proves that up to the middle of July, 1915, it was still possible to force the English fleet to a general engagement. We could not count on the possibility of fighting this battle-royal in proximity to our own coast. It was necessary to strike out into the Channel. As soon as our offensives extended their range, England would be compelled, from considerations of prestige alone, to accept the gage of battle. It appears however — from documents since published on both sides — that a number of possibilities existed of bringing about an engagement in the middle of the North Sea. According to my own opinion, shared by all the best officers, the prospects for the German fleet were not unfavourable. While the numerical superiority of the English was of course undeniable, we could at least, by assuming the initiative, bring relatively stronger force to bear on a given point. There was the further thought that in a battle at sea, superior forces cannot be made use of so promptly as would be the case with heavier battalions in a land engagement, because at sea, ship is pitted against ship. It is also fact of history that smaller fleets have often triumphed over heavier flotillas.

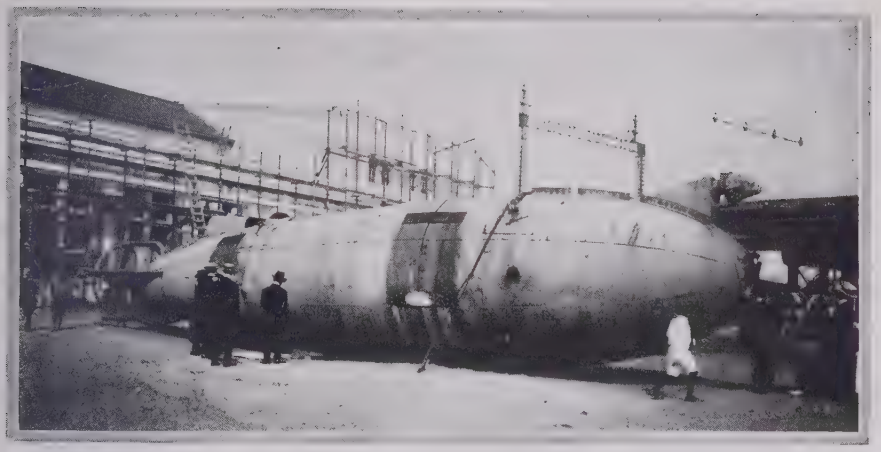
GERMAN FLEET AND MEN SUPERIOR TO ENGLISH

We were also of the belief that the material of our ships and the training of our officers and men had reached a higher state of efficiency than was the case in the English fleet. The engagements of Coronel and Jutland [1] have settled that point. The admiral in command of the American forces in British waters confirmed this as a fact when he remarked to the commander of the "Bayern" which ship was at the moment undergoing inspection at Scapa Flow: "You did not know, of course, what sort of weapon against England you had in your hands. If you had known that fact and used it for what it was worth, the result would have been different. No English vessel can come near comparison with your ships and especially not with the 'Bayern'." (See L. V. Reuter, *Scapa Flow*, Leipzig, page 16.) But even if one assumes, as one is entitled to do, that unequal numbers would have rendered an out and out victory on our part impossible, there can be no doubt that the English fleet would have been so crippled, that the English monopoly of world supremacy at sea would from that moment have ceased to exist. This event, had it come to pass, would have at once altered the international situation in our favour. If we, on the contrary, put off the sea battle until our political, military and economic situation was partially shattered and until the famine, caused by the blockade, had carried off women and children in such numbers that the *morale* of our heroic nation as a whole was still further curbed and humbled, then the effect of a naval action would necessarily fall far short of what we might expect in the first year of the war. It was also not to be lost sight of that the English fleet was constantly being added to and that its preponderant strength would tell in the long run.

TRAGIC ERRORS OF THE GERMAN CIVIL AUTHORITIES

Our history abounds in tragic errors, but among these the action of the political authorities of the German Empire in preventing the fleet from being put to the supreme test in the first year of the war, is one of the most tragic. While there were no strong personalities among those in whose hands the guidance of the fleet in the first years of the war had been placed, those leaders still, theoretically speaking, had it in their power to force a general engagement; but in so doing they would have been compelled to exceed the instructions which overshadowing political influence had imposed upon them. If we ask what political considerations could induce the leaders in Germany's battle for existence to enter on a course, now so inconceivable, as that of frustrating the ardent and gallant desire for action on the part of the fleet, certain points of view must be refined and over-refined. The illusion was strongly entertained that England, as the relatively most reasonable of our opponents, would in a short time be ready to conclude a peace arrived at by negotiations, and consequently ought not to be "irritated." On the other hand the fleet had to remain "intact," perhaps with the intention of offering it to the English in the "approaching" Peace Treaty, as inducement and compensation. The Imperial Chancellor, Von Bethmann-Hollweg, always baffled my efforts to combat his vague hopes of peace by falling back upon this false conception of English mentality, as though personal friendly relations could exercise any influence on the resolutions of statesmen, who were solely intent on aggrandising the world Empire of Britain, and who were while engaged in the task — as the Commander-in-Chief of the Swiss

[1] Admiral von Tirpitz uses the German name ("Skagerrak") for this battle. For reasons of uniformity, we have used the name "Jutland."



© *Keystone View Co.*

One of the first submarines, rescued from the mud of Newark Bay. This is the submarine built by J. P. Holland, the Irish-American inventor, in 1887, in response to an invitation from the U. S. Government for proposals for under-water boats.



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H.M.S. "Audacious," a super-Dreadnought battleship, sinking off the Irish coast after having struck a mine. This historic photograph was taken by a passenger on the "Olympic." The news of the sinking was withheld by the Admiralty for several months.



© *International Newsreel*

A German submarine of the type in use during the World War. The U-boats were from 210 to 225 feet long and could travel 14½ to 17 knots on the surface and 8 to 9 knots when submerged.

army put it — "as cold as a dog's nose." Just as the Chancellor, up to the last moment before the declaration of war and even in his painful agitation after that event, stood spellbound before the fact that England was entering the war against us, just so was he unable to realise that England, speaking softly and carrying "a big stick," was bent upon utilising this opportunity, that would never again return, of inflicting fatal injury upon its commercial rival.

But the Chancellor and his nearest subordinates were not alone in lacking the most elementary conception of what constitutes power. Large numbers of Germans were built on the same pattern. They were well-meaning men, excellent administrators, but poor politicians. To this must be added that the nature of sea-power had only begun to dawn slowly on continental Germany. Our great historians had no sense for its real meaning; I had Mahan translated to surmount this difficulty. The fact also remains that the division into two squadrons, one of which had to watch the Russians in the Baltic, tended to cripple the fleet's united action, but it never should have acted as a deterrent. Fleets have again and again for the last 2,000 years determined the supremest issues in the world's history, from the Second Punic War and the battle of Actium, to Trafalgar and the American Civil War, and finally to the World War. Here at last a new element appeared to lead that method of conflict to its climax. In the few years that have elapsed since the conception of aerial warfare, the insular security of England has been nearly done away with.

MUTINY IN HIGH SEA FLEET

My efforts to stake everything on the issue of a sea battle remained fruitless until it was almost too late to hope for a decisive result. The mutiny in the High Sea Fleet at the moment of the national collapse in November, 1918, has cast a deep shadow upon the history of the navy. After a period of continuously exhausting service, varying from four to seven years, deprived of every comfort, always at sea in the North Sea, in severest weather, huddled together in the floating fortresses that moved so seldom against the enemy, constantly associated with socialist wharf labourers — the nerves of the sailors on our battleships could no longer stand the strain when the bulk of their younger officers were taken from them, swallowed up by the submarine service. The mutiny was no isolated fact; it occurred at the very moment when the last Government of the Emperor, with its socialist leanings, had repeatedly offered to capitulate to the enemy; had in that way led the soldiers at the front to expect a speedy return home, and had finally, by this alluring proposal weakened to a very dangerous degree the will of the men to continue the conflict. The mere prospect of sacrificing themselves on the altar of Fame did not appeal to the men at the guns.

The first English Admiral to meet, after the truce, one of the leaders of our fleet, remarked to him: "You know, the large battleships did not understand how mutinies arise on such craft, especially when they are not engaged in active service; you lacked our long experience in the matter since the time of Nelson and St. Vincent." Characteristically true it was, that on our submarines, torpedo-boats and the many other vessels of smaller size, absolute loyalty reigned up to the last moment, though these branches of the marine service demand superhuman sacrifices and were subjected to the highest losses. What the English Admiral failed to realise was that with us it was not a question of mere mutiny at sea, but rather a political upheaval with subversive tendencies. England's boast that the battle of Jutland reduced the *morale* of our fleet, was put forward for the purpose of representing that

engagement as a victory for the English fleet. As a matter of fact, this great naval battle increased to a remarkable degree in both our officers and men the feeling that we possessed better materials and better personnel.

What sort of spirit animated the German navy down to the last sailor during the period when the nation still believed an honourable termination of the war possible, is shown in the imperishably valorous exploits of single units in all branches of the service. In the first months of the conflict, Theodore Roosevelt clearly perceived the difference between the bashfulness of our naval leaders and the dashing initiative of the commanders and men of our ships of every description, when he wrote: "In the present war the deeds of the 'Emden,' of the German submarines, of Von Spree's squadron, have shown not merely efficiency but heroism; and the navies of Great Britain and Japan have been handled in masterly manner." (*America and the World War,* 1915, page 171.) In truth there was no lack of efficiency and heroism everywhere in our fleet. The most considerable and striking example was without doubt the battle of Jutland; from the handling of the single battleships in the engagement, down to that of the torpedo boats, everyone manifested a joyous valour of resolution, a skill in seamanship and in intrepidity in attack which remain unexcelled.

HEROISM AND LOSSES OF THE NAVY

That was Jutland — but Jutland was not the only and not the last incident. In what manifold ways the young German navy distinguished itself by deeds sealed with its blood, a glance at the monumental tablets for the fallen in the Naval School at Mürwik will show:

Atlantic Ocean	*Baltic*	*Indian Ocean*	*Ocean of the Air*
North Sea	Baltic	Mediterranean	English Channel
German Bay	Bay of Riga	Dardanelles	Irish Sea
Hoofdon	Bay of Finland	Black Sea	Bay of Biscay
White Sea	Kattegat	Adriatic	South Seas
Flanders	Courland	Gallipoli	Tsing-tau
West front	Oesel	Asiatic Turkey	East Africa

The German navy which at the outset of the war numbered 79,000 names on its rolls, lost 36,000 men in the above-mentioned various scenes of action, among them 1,500 officers or others holding equivalent positions. Young officers, in fact every able-bodied seaman, viewed with dismay the prospect of continued inactivity in the High Sea Fleet. The requests for detached service on board other units in active service at sea, for responsible duties, for a chance to meet the enemy at close quarters, became constantly more numerous and more urgent. A very large number of these requests had to be granted, so that the ships of the High Sea Fleet were at the beginning of the year 1918 stripped of their younger active officers and of the most efficient under-officers and men. All hands had crowded into the submarines, the airships, the aeroplanes, the auxiliary cruisers and the mine-layers. It was in these various branches of the service that the personnel of the navy as a whole was able to give expression to the exploits of which it was capable. What a record of performance is furnished, for instance, by the Flanders boats of which it was known that in 1917–1918 out of five submarines, only three on the average, and often less than three, would ever return! While 199 submarines in all went down in conflict with the enemy, there is not an instance of a man who did not struggle with all his might against relief duty.

True heroism was required for the airships' assaults against England, especially after it had been clearly proved to what deadly peril each hydrogen-inflated colossus was exposed from aeroplanes discharging incendiary projectiles. The machine-guns on the air craft were capable of delivering in perfect security several hundred bullets to the minute, and a single one of these, if it penetrated the gas balloons, might be enough to seal the fate of the airship. Thirty naval airships, most of them enveloped in flames, were lost in the war. Our few naval flyers battled unweariedly against most unequal odds, not only as regards numbers, but also as regards the efficiency of their air craft. Worthy of all praise also were our long-range cruisers and later our auxiliary cruisers. After Japan — at England's behest — had followed the other Powers in declaring war upon us, almost the only refuge left to our vessels was the open sea itself. For under England's compulsion and cowed by the unfriendly attitude of the United States — manifested from the beginning — the neutral states kept anxiously in the background. "Aid and comfort," such as fell to the lot of the "Alabama," had vanished from the earth as far as we were concerned.

The smaller cruisers — "Emden," "Karlsruhe," "Königsberg" — kept in suspense for months large portions of the ocean. Their situation was from the first well-nigh hopeless. But they could at least sell their lives dearly. Of enemy's goods and bottoms they destroyed more than double their own value. The voyages of the auxiliary cruisers, "Möwe," "Wolf," "Meteor," and not less of the sailing clippers "Seeadler" and others, remind us of the sea romances of Marryat and Cooper. Lightly armed and capable of no great speed, they sallied forth, traversed the oceans, only too soon drawing after them the pack of war dogs in full cry. Their singularly humane treatment of their captives, providing as they did for most of them freedom and conveyance in captured vessels, was the very means which kept the trail fresh for their pursuers. War ships and auxiliary cruisers to the number of 386 went to the bottom of the sea with the flag of the old empire flying. Not one of them surrendered to the enemy; in addition, 170 auxiliary vessels were lost.

PRICELESS SERVICES OF THE FLEET

The bitter warfare which our mine-destroying vessels waged for four years against the wintry sea and the enemy so successfully that the English never succeeded in bottling up the Heligoland Bight, unfavourably situated though it was, reads like a drama of night and storm. When Germany shall once more enjoy a period of quiet and repose, the true spirit which actuated both the officers and the men in our navy will form one of the sources of inner exultation for those who come after us. It will also, I firmly believe, receive its just tribute from the nobler among our former enemies, as soon as the monstrous lie as to German guilt for the war, which has been poured out like a propagandic flood, shall have cooled to empty ashes.

In spite of the insufficient use which was made of the strongest arm of defence in our navy, the High Sea Fleet, its services remained priceless. Had Germany been without this fleet, the English-Russian naval agreement would have gone into effect. Russia would have received war material without end, our Baltic coast towns would have been devastated and the whole Baltic coast would have been constantly exposed to landings in force. Our connection and traffic with Sweden would have come to a stop. Under such conditions our power of resistance would perhaps not have held out for a single year. On the other hand, as we possessed a High Sea Fleet, con-

siderations for the safety of the Baltic furnished no reason for holding the fleet in reserve; for if it fought, no more unfavourable result was to be expected than that our battle-fleet and that of the enemy would meet with relatively equal losses in the conflict.

THE SUBMARINE WAR

As time wore on and the chances grew more remote that the High Sea Fleet would be put to the supreme test and that as a consequence we should be delivered of the English blockade, our interest in the other arm of the navy became more intense; the submarine seemed placed in our hands by a favourable decree of fate for conducting the sea war to a successful conclusion. As it was probable that the submarine would bring upon us more international problems than airships, gas-bombs or tanks, our policy was to delay the beginning of the submarine war until the necessary preparations should be completed. The coast of Flanders having been in our possession since the autumn of 1914, we had been able from that time to work with short-range submarines in England's territorial waters; and it was accordingly now in our power to make regular additions to the fleet of larger submarines and at the same time to increase rapidly the total number of submarines of smaller type. The spring of 1915 was thus fixed upon as the natural date for action. As to entering upon any formal plea in favour of the use of submarines in war or of the eminently correct and chivalrous use made of them by the German navy, I consider that beneath my dignity; there is also no longer any cause, in view of the declared opinion of formally hostile experts. (For general justification and for the correct conduct of our submarine war compare (1) Admiral Sims's Address before the City Club in Los Angeles, April 3, 1923; (2) The official publication of the French Ministry of War, "*La France militaire.*")

ENGLAND THE FIRST TO BREAK INTERNATIONAL LAW

As the submarine constituted a new weapon of attack, I was in favour of testing it by means of a sharp blockade of the English East Coast, including London and the Channel ports. Not only did this lie fully in our power, but it would also be of material assistance to our army on land; it would, too, strike a blow at England's commerce, without for the time being blockading the Anglo-American trade route via Liverpool. Those at the helm of State determined, however, without taking me into their councils, on a very grave step: in the form of a juristic reprisal for the English war-zone declaration of November 2, 1914, all the waters of Great Britain were pronounced to lie within the region of hostilities, the measure to go into effect February 4, 1915. When thereupon President Wilson issued his condemnation of our course, we could but feel this to be an unfriendly act and a threat besides, since America had raised only a weak theoretical protest against England's blockade, notwithstanding its violation of international law. We were well aware, too, that in the American Congress the question was seriously considered, whether the gigantic assistance rendered to the Allies by the United States in the form of arms and munitions of war did not constitute a hostile act against Germany. If those considerations had been heeded, or if the United States had insisted on the observance, on the part of England, of the Declaration of London regarding sea law, to which the United States had given their consent, Germany would have renounced the use of submarines in the war.

I know well that in the Anglophile propaganda of the time the theory was advanced that Germany had, by its invasion of Belgium, forfeited its right to demand impartial consideration of these questions of maritime law on the part of the most powerful neutral nation. We were given to understand that the moral feeling of the American public had been so aroused by the incident in question, that Germany from that moment was debarred from demanding just treatment. I wish to add a few words on this subject, as the complicated European relations do not on the whole present themselves readily to American ways of thought, and yet it was principally out of these questions of neutrality that the incomprehensible war between Germany and the United States arose, a conflict catastrophic for Germany, not profitable for America, and a tragic episode for humanity. To me this reflection is most painful, since there had never been a moment in the history of the United States when Germany had not stood firmly on the side of America, both in feeling and action.

THE INVASION OF BELGIUM JUSTIFIED

The march through Belgium finds its primal justification in the axiom — which matter-of-fact Americans will be slow to dispute — that a people in supreme jeopardy, assailed by nations vastly more powerful than itself, which had moreover most carefully prepared themselves for this very conflict, that this isolated people must resort to any and every means of defence. If Americans find it next to impossible to think of themselves as so assailed, I attribute this to the fact that a life and death assault by land on the United States is not thinkable. This renders Americans slow to realise the alternatives presented to us, when we found ourselves confronted by the three or four largest military powers in the world. In this desperate situation we refrained from declaring war on Belgium; we demanded passage for our army, to which by virtue of the Treaty of 1830 and the occupation of Liége, we could claim a legal right, since the German Empire was Prussia's recognised heir and successor. This right by law had at that time been instituted by England, at the time Great Britain was showing hostile tendencies against France. It was quite in accordance with the way of thinking of Bethmann-Hollweg, the German Chancellor, to refrain from utilising this juristic point of view, perhaps in the hope that the sublime right of self-defence would find recognition as such. Instead of taking his stand formally upon legal ground, he appealed to the sentimentality of our opponents. In addition, the General Staff had for a considerable time known — as the Chief of Staff informed me when our troops began their march — that military agreements aimed at us existed between Belgium, England and France, and that Belgium had through this course of action lost its rights of neutrality. Depôts with munition and military supplies for English troops were already established on Belgian territory. Although Germany, previous to 1870, had saved Belgium from annexation on the part of France, Belgium had during the Bismarck era erected its Brialmont fortresses, simply and solely against Germany, long before the march through Belgium had been considered by the General Staff. Germany, on the other hand, had left its Rhine frontier without fortress or redoubt. For what reason did the *Entente* states, with Belgium barking the loudest, set up such a hue and cry, when Holland, without any urging on our part, declared its purpose of protecting both Dutch and Belgian neutrality by fortifying Flushing? This indignation proved, without a shadow of doubt, that our opponents were counting on Antwerp as the English military port of entry for breaking into Germany. The Belgian

Government had moreover — before the war — given free permission to French Ministers, still holding office, to deliver inflammatory addresses in Belgium against Germany. Our almost morbid love of peace and our anxiety to avoid every occasion on the part of our opponents for taking umbrage, were to blame for the unfortunate fact that before 1914 we did not make the vehement protest which this direct violation of the very essence of neutrality called for. To fill to overflowing the measure of these considerations, I need but point to the now generally acknowledged fact that England did not enter the war with the purpose of upholding the Belgian neutrality but, as Sir Edward Grey assured the Russian Foreign Minister, Sazonov, during the visit of the latter at Balmoral, September 27, 1912, that England was bound by her agreement with France, in case of war with Germany, to come to the assistance of France, not only with her navy but with her army, and further that England would do her utmost to strike Germany's power a most telling blow.

ENERGETIC SUBMARINE WAR WOULD HAVE DESTROYED ENGLAND

When President Wilson entered upon his first bout to knock out Germany's submarine war, I contended that the submarine war should be prosecuted with the utmost energy, regardless of any protest whatever. Had this been done, England would have been lost, in which opinion I am again supported by Admiral Sims, for the Admiral asserts that even in 1917, England was saved from the submarine peril only through means suggested, in large measure, by him while Commander-in-Chief of the American naval forces in Europe. His statement is probably true, but in the year 1915 America also was very far from being in a state of military preparedness, nor do I believe that America at that time had either the full intention or the military organisation for effecting England's rescue. We must again direct our attention to the policy of the Imperial Government in the years 1915–1916, which, because of President Wilson's Notes, crippled the systematically conducted submarine war, until nothing was left save a kind of ineffective cruiser warfare. This gave England — assisted by the United States — time to bring the means of defence to the necessary degree of effectiveness. Meanwhile our valiant submarine combatants had to stand idly by and submit to such fearful shocks as when, in the battle on the Somme, in 1916, the army called vainly for their aid. This our Chancellor not only prevented them from rendering, but he also, in order to avoid Mr. Wilson's frown, prevented them from blocking the English Channel transports with their enormous supplies. When I perceived the impossibility of counteracting the weak-kneed resolution of Chancellor Bethmann-Hollweg, inexcusable alike in its military and political aspects, I sent in my resignation March 17, 1916. The comment of the English press was: "Exit the pirate." My successor found himself constrained to support the Chancellor's policy, of paring down the construction of submarines. The enemy, with his apprehensions of danger from the sea thus relieved, returned our offer of peace in December, 1916, with a brutal refusal; and this gave the first intimation of the future mercilessness of the Powers which already felt themselves victors. Then at length our military authorities felt themselves obliged to respond, January, 1917, with the definite inauguration of systematic submarine war. Late though this resolution was, Germany fortunately seconded it by energetically resuming the construction of submarines in February, 1917, so that a favourable result remained possible if time were still vouchsafed.

LOSSES AT SEA

In March, 1916, we had approximately 70 submarines in service, 54 of them at the front, and 149 submarines in process of construction, to be delivered in the course of the financial year 1916. In the year 1918 the submarine war slackened, this being due partly to the lessened activity in construction following upon my resignation, and partly to the extraordinary improvement on the part of the enemy in the means of defence. According to our experience as a whole, an unrestrained submarine war in 1916 would have been certain to yield us per vessel and per voyage, on an average, 51,000 tons sunk. In the summer of 1917 the average sank to 14,000 tons and in the autumn of 1917 to 9,000 tons. How much greater the net loss to our enemy and our corresponding success would have been in the year 1916, is shown by the American rate of increase in ship construction for mercantile marine. This increase in enemy cargo space, making good the losses sustained, was chiefly due to America. England was, it is true, straining every nerve, but her activity was necessarily confined to construction for out and out naval purposes and she could do little towards replacing lost cargo space. But America was building on a progressive scale, so that according to newspaper reports, the increase in American cargo space in the year 1918, in a single month, equalled the increase in 1916 for the whole year. As to direct means of defence against submarines, which the navy had developed to an extraordinary degree since the beginning of 1916, it is not my intention to enter here, but merely to remark that, simply as regards quantity, the United States and England were able to produce far more means of defence than we were able to match in the building of new submarines. It only remains to be said that the Imperial Government, still adhering to its remarkable policy of heeding every "neutral" wish even as late as the year 1917–1918 — a policy at once deeply repugnant to the nation's feelings and utterly wrong in such a desperate crisis — once more hastens to impose certain hard and fast restrictions on unlimited submarine war. More especially the steady stream of food supplies from Denmark to England, a measure winked at by us, but hardly compatible with neutrality, made itself felt to our disadvantage. From the autumn of 1918 on, a great revival in submarine war was to be expected, since the increased activity in submarine building, begun in February, 1917, was making itself felt. But it was too late; the German defence broke down as a result of under-nutrition caused by the blockade of a whole nation, situated as it were in a beleaguered fortress, for four and a half years. This universal and pervasive cause was aggravated by the Marxistic infusion of plague germs, to which the German workmen had fallen victims.

THE SINKING OF THE "LUSITANIA"

The sinking of the "Lusitania" formed, and in a measure still remains, such an important factor in creating public opinion, especially in the United States, that I desire to add a few words on this much mooted event.

The "Lusitania" was listed in the English navy as an auxiliary cruiser, and the English regulations for that class prescribed that she should have on board, even in peace times, the necessary arms and munitions. It has furthermore been settled by the New York Court of Appeals that the "Lusitania" had on board an unlawful cargo, consisting among other things of 5,400 cases of munitions: a fact which President Wilson knew at the time

he despatched his second "Lusitania" Note, but of which he denied knowledge. The sinking of the "Lusitania" constituted, in the opinion of this high American court, a legal act in time of war. The commander of the German submarine which did the sinking was not aware at the moment when he had to make his decision, that it was the "Lusitania" that loomed up before him, still less that she had a large number of passengers on board. He therefore acted simply in accordance with his instructions and despatched his torpedo. Only when the "Lusitania" careened so that he could see her four funnels, did he realise the identity of the vessel he had struck. He thereupon refrained from despatching a second torpedo, in order to render possible the rescue of the passengers. If, in spite of this, the sinking followed so speedily, that fact cannot be explained by the single torpedo. We are driven to the probable explanation that the explosion of the torpedo led to a second explosion of the munitions on board, and that this in turn caused some internal destruction, such as the bursting of a bulkhead and thus hastened the final catastrophe. The nature of the unlawful cargo makes it impossible to suppose that a series of harmless explosions only could have taken place.

Let us now suppose that the commander of the submarine was, at the moment of forming his resolution, actually aware that he had the "Lusitania" before him; in that case he could not have avoided the bitter reflection that the unlawful cargo, if not sunk, would cost the lives of 10,000, 20,000 or perhaps even a greater number of his fellow-countrymen. I cannot believe that any officer in the American navy, finding himself in such a position, would have refrained from making use of the only means at his command for preventing such a holocaust. The American public was expressly warned through the German embassy, not to take passage on the "Lusitania" through the war zone. The warning was received in America with a certain sneering mockery, which seemed for all the world like a provocation. But even if it was not so meant, most people, certainly I for one, must continue to regard the deplorable loss of more than 1,000 human lives as an astonishing proof of the carelessness of a public, knowingly to embark on a voyage through war territory, and of the frivolity of an English shipping concern. The skilful use which English propagandists made of America's perfectly natural pain and sorrow over this unfortunate occurrence, induces us quite too easily to forget the 800,000 women and children, who, after the execution of a duly signed armistice, after the army had been disbanded, after the delivery of the fleet, perished miserably through the barbaric and, from the military point of view, useless continuation of the English blockade. I am silent as to the other countless hecatombs — the fate of those, now dying in Germany quickly or by lingering starvation, because America was instrumental in striking us down, and because it has as yet not taken occasion to redeem the promises which President Wilson made to us.

CHAPTER XIV

THE BATTLE OF JUTLAND:

THE PERSONAL NARRATIVE OF THE BRITISH ADMIRAL IN COMMAND [1]

By Admiral Jellicoe

First Viscount of Scapa, O.M., G.C.B., etc. Admiral of the Fleet.
In command of the British Fleet at the Battle of Jutland.
Governor-General of New Zealand since 1920.

THE IMMEDIATE CAUSE

The causes leading up to the battle of Jutland may be summarised as follows:

1. The pressure of the British blockade had by April, 1916, led to insistent calls in Germany for action on the part of the fleet.

2. Admiral Scheer, who had succeeded to the command of the German High Sea Fleet in January, 1916, was chafing under his enforced inactivity.

3. The receipt of a strong note from President Wilson on the subject of the torpedoing of the "Sussex," a passenger ship carrying many United States citizens, led to the withdrawal of German submarines from war against merchant ships and rendered them available for enterprises of a military character.

4. The announcement in England, that steps were being taken to prevent such occurrences in the future as the Lowestoft raid on April 25, may have given Admiral Scheer reason to believe that some division of the Grand Fleet was intended.

He planned therefore to station submarines off British fleet bases, to draw a portion of the Grand Fleet to sea over the submarines, and to bring that portion, or such of it as survived the submarine attacks, to action with the whole High Sea Fleet.

In accordance with this plan, 16 submarines left the German bases on May 15, with orders to reconnoitre the central portion of the North Sea and to be in positions off the British fleet bases in the Humber and at Rosyth, Cromarty and Scapa, by May 23. Of these, eight were off the entrance to Rosyth and its vicinity. Six to eight submarines of the Flanders flotilla were also to operate to the eastward of the English Channel.

Admiral Scheer's first plan included the bombardment of Sunderland by

[1] The battle of Jutland is still being fought, although years have passed since it took place. It has excited probably more controversy than any other single battle of the World War, both the British and Germans claiming a victory. The Editor of *These Eventful Years* asked each of the two commanding officers to tell the story of the battle as he fought it. These two personal narratives, with the many diagrams (supplied in each case by the writer) illustrating the exact position of each of the vessels engaged, will enable the reader to form his own opinion as to who was the real victor in this historic conflict. For the German account, see the chapter immediately following this, written by Admiral Scheer, Commander-in-Chief of the High Sea Fleet.

his battle-cruisers. This bombardment would bring out the British force from Rosyth, and Admiral Scheer hoped to bring it to action with his fleet.

In order to prevent being caught at sea by the Grand Fleet on one of its periodical southerly sweeps, Admiral Scheer intended to station his airships to the northward of his fleet to give timely warning of the approach of British ships. His submarines lying off Scapa and Cromarty were further relied upon for this purpose.

The weather conditions, however, from May 22 onwards proved unsuitable for airship reconnaissance, and Admiral Scheer then decided, as time went on, to put his second plan into operation, since his submarines could not be depended upon to remain off the British coast after June 1.

According to this second plan, the German battle-cruisers were to proceed toward the Skagerrack and the coast of Norway, to attack British light cruisers operating in that vicinity. This movement, supported by the whole High Sea Fleet, was again expected to draw a portion of the Grand Fleet to sea.

In the early part of May the whole Grand Fleet had been off the Jutland coast supporting a British naval air raid on the Zeppelin sheds at Tondern, in the hope that this operation would draw the High Sea Fleet to sea; and a more extensive operation in the Skagerrack itself, having the same object in view, had been planned for June 1; so that both the British and German Commanders-in-Chief were working for a meeting, the British Commander-in-Chief hoping to entice the entire High Sea Fleet to sea, and the German Commander-in-Chief anticipating the possibility of meeting separate divisions only of the Grand Fleet. (Scheer, page 141.)

PRELIMINARY MOVEMENTS

The British Admiralty became aware, early on May 30, by means of intercepted wireless signals that some unusual movement was in progress at Wilhelmshaven, and the Commander-in-Chief of the Grand Fleet was warned by telegram at noon of there being indications that the High Sea Fleet might be going to sea. He was told also that at least eight German submarines were known to be in the North Sea. As the result the Grand Fleet proceeded to sea between 9 and 10 P.M., the battle-fleet to concentrate in Lat. 57° 45′ N. Long. 4° 15′ E., and the Rosyth force in Lat. 56° 40′ N., Long. 5° E., by 2 P.M. on May 31. Sir David Beatty, in command of the Battle-Cruiser Squadrons at Rosyth, was directed to steer to meet the battle-fleet if he had sighted nothing by 2 P.M.

The Battle-Cruiser Fleet was on this occasion, as in other similar cases, given a rendezvous a considerable distance (69 miles) from the battle-fleet, which was kept to the northward in the hope that if German forces were encountered, they could be drawn by the battle-cruisers sufficiently far from their bases to admit of their being crushed before they could regain safety.

Prior to the Grand Fleet proceeding to sea, several reports were received from ships on patrol of submarine attacks being made on them, or of submarines being sighted. Attacks on the fleet were therefore anticipated, but beyond three unsuccessful attacks on the light craft of the Rosyth force, nothing occurred.



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Earl Beatty whose brilliant handling of the battle-cruisers in the Battle of Jutland won him high praise and rapid promotion.



Admiral Reinhard Scheer who commanded the German naval forces in the Battle of Jutland. He contributes a chapter on the battle to *These Eventful Years*.



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Viscount Jellicoe, Commander-in-Chief of the Grand Fleet in the Battle of Jutland, concerning which he contributes a chapter to these volumes.

STRENGTH OF THE OPPOSING FLEETS

On departure from its bases the Grand Fleet was composed as follows:

FROM SCAPA:

Fleet Flagship "Iron Duke" with flag of Admiral Sir John Jellicoe, Commander-in-Chief, Vice-Admiral Sir Charles Madden, Chief of Staff

1st Battle Squadron. Vice-Admiral Sir Cecil Burney (2nd in command of Grand Fleet) in command

"Marlborough" (Flagship)
"Revenge"
"Hercules"
"Agincourt"
"Colossus" (Flag of Rear-Admiral E. F. A. Gaunt)
"Collingwood"
"Neptune"
"St. Vincent"

4th Battle Squadron. Vice-Admiral Sir F. D. Sturdee in command

"Benbow" (Flagship)
"Bellerophon"
"Temeraire"
"Vanguard"
"Royal Oak"
"Superb" (Flag of Rear-Admiral A. C. Duff)
"Canada"

3rd Battle Cruiser Squadron. Rear-Admiral Horace Hood in command

"Invincible" (Flagship)
"Inflexible"
"Indomitable"

Light Cruisers
"Canterbury"
"Chester"

2nd Cruiser Squadron. Rear-Admiral H. Heath in command

"Minotaur" (Flagship)
"Hampshire"
"Cochrane"
"Shannon"

4th Light Cruiser Squadron. Commodore C. E. Le Mesurier in command

"Calliope" (Flagship)
"Constance"
"Comus"
"Caroline"
"Royalist"

40 Destroyers with the Light Cruiser "Castor," Commodore J. R. P. Hawksley in command

FROM CROMARTY with orders to meet the Commander-in-Chief at sea:

2nd Battle Squadron. Vice-Admiral Sir Martyn Jerram in command

1st Division
"King George V" (Flagship)
"Ajax"
"Centurion"
"Erin"
"Orion" (Flagship of Rear-Admiral A. C. Leveson)
"Monarch"
"Conqueror"
"Thunderer"

1st Cruiser Squadron. Rear-Admiral Sir Robert Arbuthnot in command

"Defence" (Flagship)
"Warrior"
"Duke of Edinburgh"
"Black Prince"
10 Destroyers

From Rosyth: Vice-Admiral Sir David Beatty in command in "Lion," Fleet Flagship

1st Battle Cruiser Squadron

"Princess Royal" (Flagship of Rear-Admiral O. de B. Brock)
"Queen Mary"
"Tiger"

2nd Battle Cruiser Squadron

"New Zealand" (Flagship of Rear-Admiral W. C. Pakenham)
"Indefatigable"

5th Battle Squadron

"Barham" (Flagship of Rear-Admiral Hugh Evan Thomas)
"Valiant"
"Warspite"
"Malaya"

Destroyer Flotillas

"Champion" } Light Cruisers
"Fearless" } with 27 Destroyers

Seaplane Carrier

"Engadine"

1st Light Cruiser Squadron

"Galatea" (Flagship of Commodore E. S. Alexander Sinclair)
"Phaeton"
"Inconstant"
"Cordelia"

2nd Light Cruiser Squadron

"Southampton" (Flagship of Commodore W. C. Goodenough)
"Birmingham"
"Nottingham"
"Dublin"

3rd Light Cruiser Squadron

"Falmouth" (Flagship of Rear-Admiral T. W. Napier)
"Yarmouth"
"Birkenhead"
"Gloucester"

On the German side the following vessels left the Jade River at 2 A.M. (all times mentioned are Greenwich Mean Time), May 31, under the command of Vice-Admiral Hipper in the "Lützow":

1st Scouting Group
Battle-Cruisers

"Lützow" (Flagship)
"Derfflinger"
"Seydlitz"
"Moltke"
"Von der Tann"

Second Scouting Group
Light Cruisers

"Frankfurt" (Flagship of Rear-Admiral Bödicker)
"Wiesbaden"
"Pillau"
"Elbing"
"Regensburg" (leader of Flotillas)

33 Destroyers

At 2.30 A.M. the remainder of the High Sea Fleet under Vice-Admiral Scheer followed. The vessels were:

Fleet Flagship "Friedrich der Grosse"

1st Battle Squadron

"Ostfriesland" (Flag of Vice-Admiral E. Schmidt)
"Thüringen"
"Helgoland"
"Oldenburg"
"Posen" (Flag of Rear-Admiral Engelhardt)
"Rheinland"
"Nassau"
"Westfalen"

2nd Battle Squadron

"Deutschland" (Flag of Rear-Admiral Mauve)
"Pommern"
"Schlesien"
"Schleswig-Holstein"
"Hannover" (Flag of Rear-Admiral Lichtenfels)
"Hessen"

3rd Battle Squadron

"König" (Flag of Rear-Admiral Behncke)
"Grosser Kurfürst"
"Markgraf"
"Kronprinz"
"Kaiser" (Flag of Rear-Admiral Nordmann)
"Prinz Regent Luitpold"
"Kaiserin"

4th Scouting Group

Light Cruisers
"Stettin" (Flag of Commodore Reuter)
"München"
"Frauenlob"
"Stuttgart"
"Hamburg"
"Rostock" (Flag of Commodore Michelsen) and 39 Destroyers

The total forces engaged in the North Sea were:

	British	*German*
Battleships	28	22 (including 6 pre-dreadnoughts)
Battle-Cruisers	9	5
Armoured Cruisers	8	Nil
Light Cruisers	25	11
Destroyers	77	72
Seaplane Carrier	1	Nil
Airships	Nil	10*
Submarines	3	22

* Only five of these airships actually ascended on May 31 for reconnaissance in a direction north to west of Heligoland between noon and 1 P.M. The remainder ascended early on June 1.

DISTINGUISHING CHARACTERISTICS

The British and German fleets differed very considerably in their main characteristics. On the British side the capital ships carried guns of larger calibre than did contemporary German vessels. On the other hand, German ships possessed very much greater defensive qualities both as regards armour and protection against under-water attacks, the latter being rendered possible by the greater beam of German ships. British vessels were limited in this respect by the width of existing docks. The resisting power of the German capital ships is well indicated by the manner in which some of their battle-cruisers survived the battle of Jutland in spite of receiving a very large number of hits from projectiles as well as damage by torpedo. German ships of any particular date were of greater displacement than were British vessels of the same date.

German ships of all classes carried torpedo armaments considerably superior to corresponding British ships.

POSITION AT 2 P.M. MAY 31

At 2 P.M. on May 31, the British battle-fleet was 18 miles distant from the rendezvous, having been delayed by the necessary examination by destroyers of the large number of neutral vessels sighted, and the undesirability of forcing the destroyers to consume fuel by overtaking the fleet at high speed; the Battle-Cruiser Fleet was 10 miles short of its rendezvous at 2 P.M. Neither fact was, however, considered of importance by Sir John Jellicoe, since he had received a wireless message from the Admiralty during that forenoon to the effect that directional wireless signals placed the German fleet flagship still in the Jade River.

Before leaving the Jade, Admiral Scheer had, however, transferred the wireless call sign of his flagship to a shore station, and the fact of the call sign being still located in the Jade led the British Admiralty to believe that his ships had not left their base whereas in reality they had left some hours earlier.

THE FLEETS IN CONTACT

Contact took place at 2.20 P.M. between the "Galatea" (eastern flank ship of the light cruisers screening the Rosyth force) and German destroyers, part of Admiral Hipper's force, and as a result the British battle-cruisers, which shaped course to cut the German vessels off from their base, sighted the German battle-cruisers at 3.30 P.M., steering a north-westerly course. Admiral Hipper altered course to S.S.E. and at 3.45 the British ships as they closed, conformed to this course. It is of interest to note that a seaplane from the British seaplane carrier "Engadine" took part in the preliminary reconnaissance of the German force.

At 3.47 P.M. the battle-cruisers on each side opened fire.

Both British and Germans over-estimated the range at starting, but the Germans, aided by a clear western horizon, were the first to obtain it correctly and commenced hitting both the "Lion" and the "Tiger" at 3.51 P.M. at a range of about 13,000 yards. (One sea-mile equals 2,000 yards.) The British battle-cruisers were hampered by the smoke of destroyers which were endeavouring to take station ahead in a position favourable for a torpedo attack on the German line, and according to German reports, their vessels did not suffer much in the early part of the action.

The German ships were directed by Admiral Hipper to engage their opposite numbers in the line, counting from the "Lion." On the British side, the "Lion" and "Princess Royal" were directed to concentrate on the "Lützow," the leading ship. According to the gunnery officer of the "Derfflinger," that ship (second in the German line) was not fired at by any British ship until some ten minutes after the action commenced. This must have been due to some misinterpretation of the signal made by the "Lion."

The 5th Battle Squadron under Admiral Evan Thomas was five miles from the "Lion," Admiral Beatty's flagship, at 2.30 P.M. The flag signals of the "Lion," ordering the subsequent alterations of course, were not, at the distance that the two flagships were apart, readily distinguishable on board the "Barham," and the dense funnel smoke of the battle-cruisers obscured their movements from Admiral Evan Thomas, whose information as to the situation was confined to intercepted wireless messages from the British light cruisers, which were, during this period, reporting the sighting of German light cruisers. The ensuing delay in altering course resulted in the 5th Battle Squadron being 7½ miles from the battle-cruisers when the action commenced and prevented the squadron from sighting the German battle-cruisers until about 4.05 P.M., or opening fire until 4.10 P.M., and then only at very long range (19,000 yards). This was a fortunate circumstance for the German battle-cruisers since it saved them from an overwhelming concentration of fire. (Diagram I.)

From 3.47 to 4.38 P.M. the action between the battle-cruisers was fought on southerly courses at ranges which were as short as 13,000 yards, but which increased between 4.05 and 4.15 to about 20,000 yards. During the fierce fighting in this southerly run, the British suffered two serious disasters, the battle-cruisers "Indefatigable" and "Queen Mary" being sunk at 4.02 and 4.26 P.M. respectively. In both cases the ships were hit by salvoes, the projectiles from which evidently communicated their explosion to a magazine, which blew up and destroyed the ship with the loss of practically the entire ship's company.

The ships of the 5th Battle Squadron between 4.10 and 4.35 P.M. were engaging the two rear German battle-cruisers, at ranges between 20,000 and 17,000 yards, and, in spite of very difficult conditions of light, according to

Admiral Scheer, "with extraordinary rapidity and accuracy." (Scheer, page 143.) At about 4.30 P.M. the German battle-cruisers commenced to zigzag in order to throw out this fire.

German reports mention the inefficiency of the British shell, to which they attribute the relatively small damage sustained by their ships at Jutland in comparison with the number of hits received. The defect lay in the fact that the shell when hitting at an angle to the face of an armour plate did not penetrate before bursting, whereas German shell with their excellent delay-action fuses burst inside the British ships.

Between 4.15 and 4.30 P.M. both sides attacked with destroyers, a hot engagement taking place between these vessels midway between the opposing



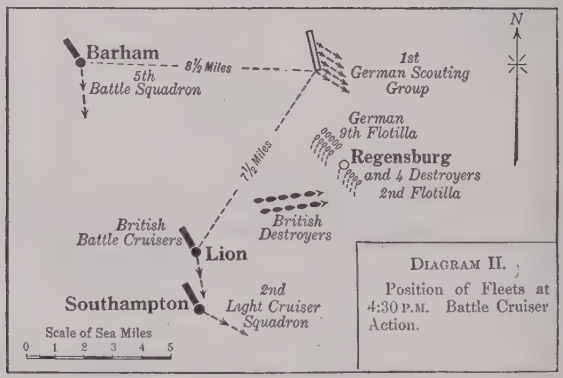
DIAGRAM I.
Position of Fleets at 4 P.M. Battle Cruiser Action.

battle-cruisers. The German destroyers were forced back to their own line, after discharging 12 torpedoes at the British heavy ships at ranges from 9,000 to 10,000 yards; none of these hit. Two German destroyers were sunk by their British opponents, one by gunfire and the other by torpedo. The British destroyers pressed their attack closer home, two (the "Nestor" and "Nicator") firing three torpedoes each at the German battle-cruisers at ranges between 3,500 and 6,000 yards, one of which hit the "Seydlitz"; others were fired at longer range. Two British destroyers (the "Nestor" and "Nomad") were disabled by German gunfire and were later sunk by the German battle-fleet as they came up. Both lines turned away to avoid torpedoes, the British some two points, and the Germans at least four points, to avoid the very gallant attack of the "Nestor" and "Nicator." The British battle-cruisers owing to their position with reference to the German destroyers were in less danger of successful torpedo attack than either the German battle-cruisers or the British 5th Battle Squadron. (Diagram II.)

THE GERMAN BATTLE-FLEET APPEARS

At 4.33 P.M. Commodore Goodenough, with his 2nd Light Cruiser Squadron, which had been some two miles ahead of the British battle-cruisers,

sighted first a cruiser, and then battleships, to the S.E., turned towards them, and five minutes later, having made them out as the whole German battle-fleet, steering north, reported the fact by wireless. He then, in the true cruiser spirit, closed the German battle-fleet to within 13,000 yards to ascertain the exact composition and course of the German fleet before he turned to his squadron; although under very heavy fire, he avoided damage by skilful manœuvring. Admiral Beatty sighted the German battleships shortly afterwards, and at 4.40 turned his battle-cruisers to the northward to fall back on his Commander-in-Chief. The German battle-cruisers also turned to the northward at about 4.50 P.M. As the "Barham" (which was eight miles astern of the "Lion" when that ship turned) closed the "Lion" on opposite courses, that ship was seen to have a signal flying to the 5th Battle Squadron to turn 16 points in succession to starboard. When the turn was completed



in obedience to this signal, the squadron was some 3½ miles astern of the battle-cruisers, and came under a heavy fire from the van of the German battle-fleet, which was only sighted from the 5th Battle Squadron during the turn. This fire caused considerable damage to the British ships, especially the "Malaya" and "Warspite."

THE RUN TO THE NORTH

After the turn, and during the run to the northward, the two rear ships of the 5th Battle Squadron ("Warspite" and "Malaya") returned the fire of the German battleships whilst the "Barham" and "Valiant" engaged the battle-cruisers.

The opposing battle-cruisers renewed the engagement at long range for a short time after the turn to the northward, the Germans having the advantage in light; as the British ships showed up clearly, whilst the German vessels were almost indistinguishable. Fire ceased between the battle-cruisers at 5.10, but the leading ships of the 5th Battle Squadron were able to continue in action during the greater part of the northerly run at ranges between 17,000 and 19,000 yards, their fire according to German reports being very disconcerting.

At 5.40 P.M. the German battle-cruisers were again sighted from their British opponents, which had altered course slightly to the eastward to meet the British battle-fleet, and the action was renewed at about 14,000 yards range.

THE MOVEMENTS OF THE BRITISH BATTLE-FLEET

When at 2.20 P.M. the "Galatea's" first report of sighting German vessels was intercepted in the "Iron Duke," flagship of Admiral Sir John Jellicoe, the battle-fleet was steering S. 50° E. in six divisions of four ships in line ahead. A cruiser screen was stationed 10 miles ahead, and in advance of this screen was the 3rd Battle Cruiser Squadron, under Rear-Admiral Hood. As the reports indicated the presence of German vessels, speed was increased to 17 knots, zigzagging or frequent alterations of course for the purpose of confusing hostile submarines if attempting an attack, ceased, a course S.E. by S. for the Horn Reef was steered, steam raised for full speed, and the ships prepared for action. The cruiser screen was ordered to open to 16 miles ahead.

By 3.15 P.M. the fleet was steaming 19 knots and on receipt of Sir David Beatty's report of the presence of German battle-cruisers, speed was increased to 20 knots, the utmost of which the fleet as a whole was capable. The 3rd Battle Cruiser Squadron was sent on to reinforce Admiral Beatty, although the southerly course on which the action was proceeding gave little hope that it could take part in the engagement unless the German ships were forced towards the Skagerrack.

The report at 4.38 P.M. of the sighting of the German battle-fleet came as a distinct surprise, in view of the information from the Admiralty that Admiral Scheer's flagship was still in the Jade River. Admiral Jellicoe's general signal at 4.47 P.M. "Enemy's battle-fleet is coming north" gave the fleet welcome news for which it had been waiting nearly two years. A wireless message was sent to the Admiralty: "Fleet action imminent." This was the pre-arranged signal on which available forces should be sent to the scene of action and provision made on the East Coast for tugs, etc., to be in readiness to assist disabled ships.

It was a matter of the first importance to the British Commander-in-Chief to ascertain the strength, formation, position, course and speed of the High Sea Fleet so that the British battle-fleet could steer to meet it, and on meeting be correctly formed, and on a suitable bearing. Admiral Beatty had been given the position and movements of the Commander-in-Chief at 3.27 P.M.

Information came to Admiral Jellicoe between 4.38 and 5 P.M. in four messages, viz.: three reports from the "Southampton" and one from the "Princess Royal" (passed from the "Lion"). These reports owing to positions by dead reckoning being in error, placed the German Fleet at 5 P.M. in four different positions, separated rather widely from one another, which fact discounted their value.

No further news was received until about 5.20 P.M. when the Admiralty signalled the 4.09 P.M. position of the German flagship. It was assumed to have been obtained by directional wireless, and was disregarded in favour of positions given by ships in contact with the German fleet. At 5.45 P.M. further reports reached the Commander-in-Chief from the "Southampton," "Black Prince" (right wing ship of the battle-fleet cruiser screen), and again from the Admiralty.

A mean of the reports up to 5.45 P.M. made it appear that the van of the German battle-fleet would at 6 P.M. be 26 miles right ahead (*i.e.*, S.E. by S.) of the "Iron Duke" (position "A" Diagram III). The later series placed the van at 6 P.M. either 13½ miles north-west of "A" (position "B") or 17 miles W.½N. of "B" (position "C"). This discrepancy placed the Commander-in-Chief in a state of great uncertainty. Knowledge gained by plotting the courses of both fleets since the issue of German reports, shows that

the actual position of the German van at 6 P.M. was at "D" (Diagram III) viz.: 17 miles N. 65° W. of position "A."

The only reported information regarding the *strength* of the German battle-fleet was contained in a signal at 4.45 P.M. from the "Princess Royal" (passed from the "Lion"), which mentioned 26 to 30 battleships. This confirmed the latest Admiralty Intelligence reports, crediting the Germans with 18 completed Dreadnought battleships. Eight pre-Dreadnoughts would bring the battle-fleet strength up to 26. It was anticipated that at least 88 German destroyers would accompany the fleet when it put to sea. The very misty conditions prevailing during the subsequent action, and the retiring manœuvres adopted by Admiral Scheer, prevented the British Commander-in-Chief from seeing more than a few German ships at a time, and from forming any idea of the strength and formation of the High Sea Fleet.

The complete uncertainty as to the position of the German battle-fleet became a matter of increasing anxiety to the British Commander-in-Chief as time passed, and heavy gunfire and distant flashes of guns to the southward showed him that he was rapidly closing ships in action. A mistaken move in deployment would place the British battle-fleet in a position of tactical disadvantage, besides giving to the Germans the advantage of wind and light. The light was much better looking westward than eastward.

A further consideration was the danger of massed torpedo attack on the battle-fleet in the act of deployment if delayed too long; the thickening mist produced ideal conditions for such attack. But pending correct information no action was possible, and the Commander-in-Chief held on at full speed.

Meanwhile, occurrences were taking place to the eastward which had a material effect upon the movements of the fleets. Admiral Hood, in the 3rd Battle Cruiser Squadron, who at 3.15 P.M. turned to the eastward to intercept the vessels reported by the "Galatea" had since 3.45 P.M. steered a course which he anticipated would bring him into touch with the British battle-cruisers. But the fleet having been dependent, since leaving its bases, upon dead reckoning for its position, there was a discrepancy of 12 miles between the estimated positions of the "Iron Duke" and "Lion." This will not surprise any seaman since all ships had been zigzagging between daylight and 2 P.M. and the "Lion" in addition had been in fierce action. Admiral Hood, equally with his Commander-in-Chief, was therefore ignorant of the true position of the British battle-cruisers, and his course took him too far to the eastward.

At 5.30 P.M., however, Captain Lawson in the light cruiser "Chester," five miles to the westward of the "Invincible" (Admiral Hood's flagship), sighted the German 2nd Scouting Group of light cruisers (stationed about four miles on the starboard bow of Admiral Hipper's battle-cruisers), turned, and engaged them on a northerly course. The "Chester" suffered severely in the unequal combat, before she came under the protection of Admiral Hood's ships which at once steered for and engaged the German vessels; these turned to the southward at 5.50 to escape, the ships and the destroyers in company discharging torpedoes and using artificial fog to cover their retirement; the "Wiesbaden," however, was partly disabled and the "Pillau" damaged before they were clear. Admiral Hood's battle-cruisers avoided the torpedoes by turning away. His four destroyers gallantly led by the "Shark" (Commander Loftus Jones) then attacked the ships of the 2nd Scouting Group, the "Shark" being disabled by gunfire after firing a torpedo at one of the German ships. She was sunk a few minutes later by German destroyers.

Whilst Admiral Hood was engaging the 2nd Scouting Group, Rear-Admiral Sir Robert Arbuthnot in the "Defence," flagship of the 1st Cruiser

Squadron, forming part of the battle-fleet cruiser screen, also sighted these vessels on his starboard bow, and with the "Warrior" opened fire. The German ships drew out of range, but the partially disabled "Wiesbaden" presently came into view and was engaged. (The encounter between the 3rd Battle Cruiser Squadron and the 2nd Scouting Group led to important results. Admiral Boedicker who commanded the Scouting Group mistook Admiral Hood's force for a battle-fleet, and so reported it, thus misleading Admiral Scheer.)

These attacks on German ships from the eastward and northward, combined with the pressure on the van of the British battle-cruisers and ships

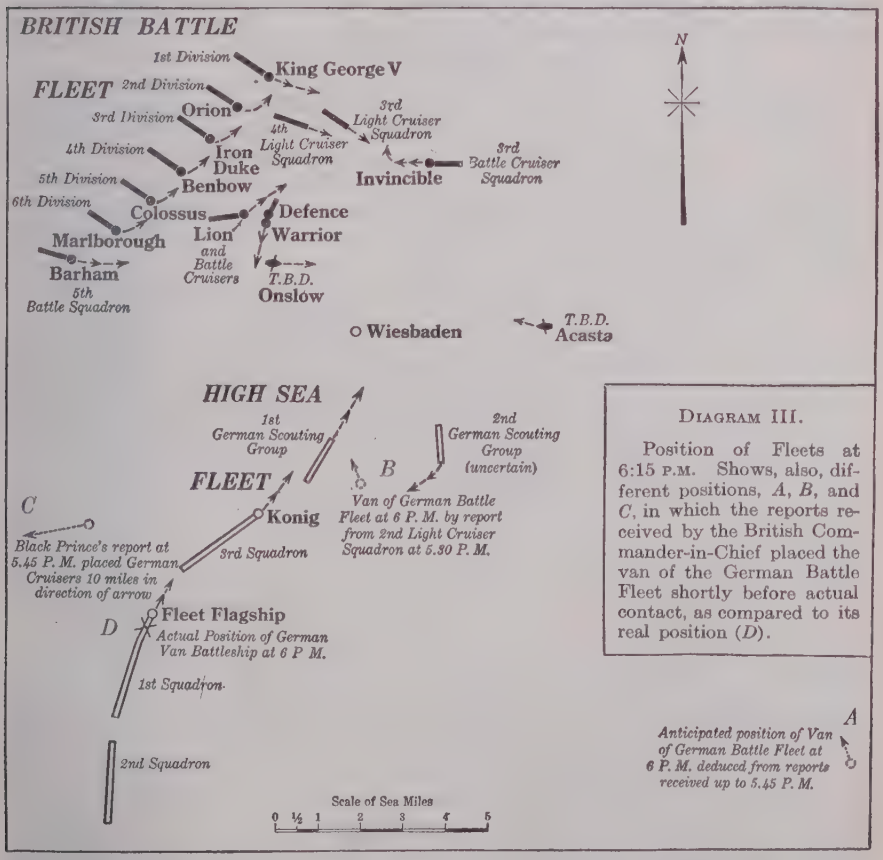


DIAGRAM III.

Position of Fleets at 6:15 P.M. Shows, also, different positions, *A*, *B*, and *C*, in which the reports received by the British Commander-in-Chief placed the van of the German Battle Fleet shortly before actual contact, as compared to its real position (*D*).

of the 5th Battle Squadron, and the torpedo attack by the British destroyers, caused Admiral Hipper to turn to the eastward at 6 P.M. and to S.S.W. at 6.07 P.M. to close his battle-fleet.

The situation at this time is shown in Diagram III which also indicates the actual position of the van of the German battle-fleet as compared with the various positions in which the reports to Admiral Jellicoe placed it.

At 6 P.M. Admiral Sir Cecil Burney, commanding the 1st Battle Squadron on the starboard wing of the battle-fleet, reported sighting the British battle-cruisers bearing S.S.W. (*i.e.*, broad on the starboard bow) and steering east. At 6.01 P.M. the "Lion" being sighted from the "Iron Duke," Admiral Jellicoe

signalled to Admiral Beatty asking for the position of the German battle-fleet. At the same time he altered course to south, as from the position of the "Lion" and her consorts, it appeared that the German fleet must be much further to the westward than the reports had indicated. Just afterwards, however, heavy firing was heard to the south-eastward of the "Iron Duke," (probably from the "Defence" and "Warrior"), and as it was evident that the fleets were very much closer than anticipated, it became essential to be prepared for deployment at a moment's notice; course was therefore altered to S.E. in order to bring the leaders of divisions approximately abeam, and the destroyers were ordered to take up positions for deployment. Meanwhile, no reply having come from the "Lion" to the Commander-in-Chief's enquiry at 6.01 P.M., it was repeated. At 6.06 the "Lion" reported the German battle-cruisers bearing S.E. and at last, at 6.14, their battle-fleet bearing S.S.W.

The fleets were now so close that shells were already falling near, and a moment's reflection convinced the British Commander-in-Chief that it was too late to form line of battle on the starboard division, as was his first impulse; such a movement would not only necessitate very large alterations of course, but would almost certainly lay the fleet open to a concentrated attack by destroyers during deployment. The situation was critical, and the simplest deployment manœuvre imperative.

Line of battle was accordingly formed at 6.15 P.M. (Diagram III) on a S.E. by E. course on the port wing division commanded by Sir M. Jerram in the "King George V," with the intention of gaining for the British battle-fleet both the advantage of position across the German van, and the advantage of better light. The manœuvre had hardly commenced when Sir Cecil Burney's division, now in rear, came under the fire of the German van at a range of 13,000 yards; the fire was effectively returned by the "Marlborough" and some ships of her division, as well as by the 5th Battle Squadron which at this time formed astern of the battle-fleet, but the dense smoke of the British cruisers then passing along the line some two miles distant, on their way to take station ahead of the battle-fleet, almost entirely screened the German battle-fleet from view, and although speed was reduced to 14 knots for seven minutes to allow the battle-cruisers to draw clear, it was not until 6.25 P.M. that fire could become general, and even then the British van and centre were severely hampered by smoke.

Admiral Jellicoe signalled at 6.29 P.M. to alter course by sub-divisions to S.S.E., to get clear of the smoke and to close the German fleet, but was obliged to annul the movement because deployment was not yet complete, ships were bunched owing to the reduction in speed, and it was not certain that the battle-cruisers had cleared the head of the line. Had this move been possible, the German battle-fleet would have been caught in a still more unfavourable position. As it was, the British fleet was across its van, and Admiral Scheer was forced to alter course to east.

The "Iron Duke" (ninth ship from the van) opened fire on the "König," leading German battleship, at 6.30 P.M., punishing her severely. Only a few ships of the German van division could be seen, but on these vessels the fire of all ships of the battle-fleet, from which they were visible, was concentrated. There was no effective reply, probably owing to the difficulty of seeing the British ships clearly against the eastern horizon.

MOVEMENTS OF 3RD BATTLE CRUISER SQUADRON AND 1ST CRUISER SQUADRON

The 3rd Battle Cruiser Squadron, after its engagement with the 2nd Scouting Group, steered to the westward towards the sound of gunfire until the "Lion" was sighted in action with the German battle-cruisers. These latter vessels had closed their battle-fleet at 6.14 P.M. and formed ahead of it, on a northerly course, being then attacked by the destroyers "Onslow" and "Acasta" on the port and starboard bow respectively. Both destroyers made a fine attack, but their torpedoes failed to hit. Admiral Hood turned his squadron into line two miles ahead of the "Lion" at 6.20 P.M., and steering to the south-eastward came into close action at about 9,000 yards' range with the German battle-cruisers on a parallel course.

German accounts speak of the fire from Admiral Hood's ships as very effective (the "Lützow" being severely damaged and the "Derfflinger" heavily hit) until at 6.32 P.M. the battle-cruiser "Invincible," hit by a salvo from the "Derfflinger," blew up and disappeared, only six survivors being picked up by the destroyer "Badger."

Shortly before this the armoured cruisers "Defence" and "Warrior" having at 6.05 P.M. opened fire on the "Wiesbaden," closed that ship to finish her off, and in doing so came under the fire of the German battle-cruisers and leading battleships at short range. Before Sir Robert Arbuthnot could extricate his ships, the "Defence," hit by heavy shell, blew up at 6.20 P.M., and the "Warrior" was partially disabled, but was able to withdraw owing to the German fire being diverted to the battleship "Warspite," which ship was near her with her helm temporarily jammed. This occurred whilst the 5th Battle Squadron was making a wide turn in order to form astern of the remainder of the battle-fleet. Both the "Warspite" and the "Warrior" were forced to leave the line and to make for a home port; the "Warrior," encountering bad weather later, was abandoned in a sinking condition after a fine attempt by the "Engadine" to tow her home.

THE GERMAN FLEET WITHDRAWS

The situation was becoming so serious for the High Sea Fleet with its van being crushed, that Admiral Scheer at 6.35 P.M. adopted the desperate remedy of turning all his ships simultaneously to the westward directly away from the British line. Such a movement under fire with the ships in a bent line involved considerable risks, but the manœuvre had been frequently practised in peace and was carried out successfully under cover of a dense artificial fog produced by the German destroyers. (Diagram IV.) Admiral Scheer states that artificial fog or smoke prepared by a special process at the largest dye works, was supplied to all the lighter vessels for use in covering retiring movements. A similar arrangement seems to have been supplied to German military forces, but in this case it was used to conceal offensive movements.

By 6.40 P.M. firing had ceased and the German ships had disappeared from view. Admiral Jellicoe at 6.44 altered course to S.E. by divisions. Admiral Scheer's turn to the westward could not be seen from the bridge of the "Iron Duke," and the assumption was that thickening mist had temporarily obscured the German ships. Admiral Burney, however, in reply to a signal, having reported that he could not see any German battleships, a further turn to south was ordered at 6.55.

Just at this time the battleship "Marlborough" — flagship of Sir Cecil

Burney — was hit by a torpedo fired probably by German destroyers then attacking; several torpedoes had already been avoided by the ships of Admiral Burney's squadron, their wakes being observed in time. At 7.05 P.M., there being still no German ships in sight, the British battleships were turned together to S.W. by S. to search in this direction (Diagram V). Ignorant of the course of the German fleet, and of its formation, the British

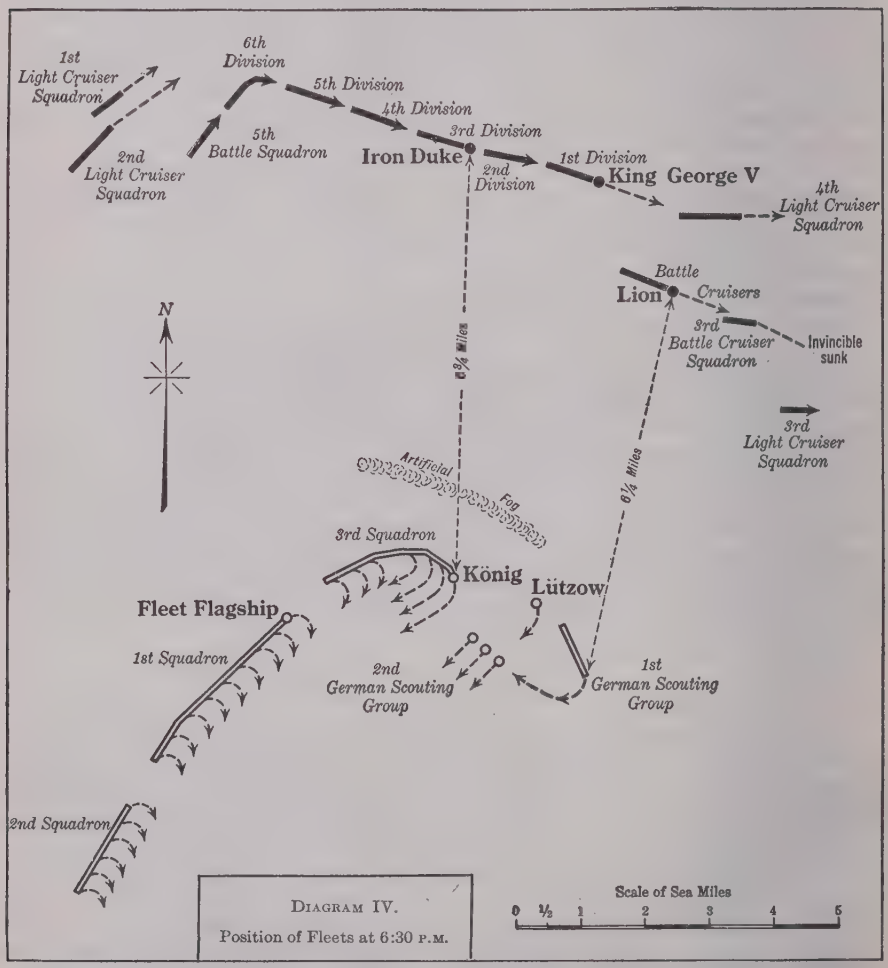


DIAGRAM IV.
Position of Fleets at 6:30 P.M.

Commander-in-Chief in deciding on his movements was influenced by certain considerations:

(*a*) A course too far to the northward might allow the Germans to escape to the southward, and, *vice versa*, a course too far to the southward might admit of their crossing astern and so evading the Grand Fleet.

(*b*) Owing to the mist large alterations of course would give the German flotillas highly favourable opportunities for attack and the total alteration of eight points was therefore carried out in three movements.

Meanwhile at 6.58 P.M. Admiral Scheer had again reversed his line by a simultaneous turn and steered east with possibly one of two objects in view, either to attack the rear of the British fleet, or to evade that fleet by crossing astern. He can hardly be credited with intentionally steering in line ahead for the centre, since it would expose his van to the same heavy concentration of fire from which he had only liberated it with great difficulty half an hour earlier. According to German diagrams, he believed the British fleet to be much further to the south than it was in reality; consequently, instead of striking the rear as expected he presently found himself opposite to the centre.

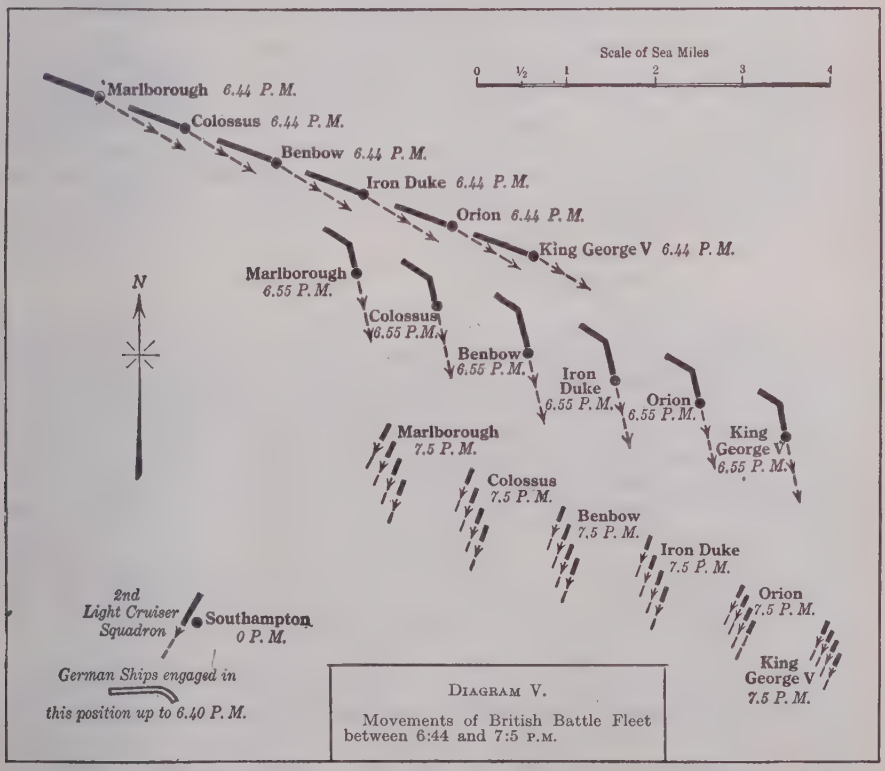


DIAGRAM V.

Movements of British Battle Fleet between 6:44 and 7:5 P.M.

Commodore Goodenough, on deployment, had placed his 2nd Light Cruiser Squadron in its action station towards the rear of the British fleet, and in searching for the German fleet, now sighted ships to the southward, ran down, made out the van of the High Sea Fleet at 7 P.M. steering E.S.E., and reported the fact. He came under fire, but again his ships were not hit.

THE FLEETS AGAIN IN CONTACT

At 7.09 German destroyers were sighted nearly ahead of the "Iron Duke," and a submarine was reported on the port bow, whereupon Admiral Jellicoe turned his ships to south, thus steering at the submarine, and forming the battle-fleet for action. Just afterwards, the rear divisions of the battle-fleet

re-opened fire on the German van then coming into sight out of the haze. The range was short, 8,000–11,000 yards, and the German battle-cruisers, which were ahead of their battle-fleet and the first ships sighted, came under a most devastating fire.

By 7.14 P.M. practically the whole British battle-fleet was in action with the German battle-cruisers, and with the van of the German battle-fleet about 3,000 yards further west. They were forced to turn to the southward.

The ranges at which the German ships were engaged by the British varied between 8,000 and 14,000 yards for their battle-cruisers, and between 11,000 and 17,000 yards for their battleships, according to the division to which the British ships belonged, the difference in distance being due to the disposition of the British fleet (Diagram VI).

The return German fire was again ineffective owing to the British, being to the eastward, having the advantage in light; the "Colossus" was the only battleship hit. The conditions of light were curious; British ships firing at battle-cruisers did not observe the battleships, whilst others firing at battleships could not see the battle-cruisers, although the latter were nearly between the battleships and the British fleet. It was seldom that the visibility admitted of ships being seen beyond 12,000 yards.

THE GERMAN FLEET AGAIN WITHDRAWN

In order to close the range for his van and open that for his rear divisions to lessen the risk from torpedo fire[1] (torpedo range as between battleships was about 15,000 yards), Admiral Jellicoe signalled at 7.16 for line ahead to be formed on the centre[1]; at 7.17 Admiral Scheer, who had run into a position of the greatest danger, and whose ships were being repeatedly hit, launched a destroyer attack, ordered his crippled battle-cruisers to attack, and under cover of another artificial fog screen once again turned the ships of his battle-fleet simultaneously to west, in order to save the van from destruction.

The "Lion" with the British battle-cruisers had been about two miles slightly on the starboard bow of the leading British battleship, the "King George V," when Admiral Scheer made his first turn away at 6.35 P.M.; at 6.55 P.M., when the battle-fleet turned to south, she was five miles off and nearly ahead. At this time when altering course to starboard the "Lion," owing to failure of her gyro compass, turned a complete circle, followed by the other battle-cruisers. At 7.10 P.M. they were three miles on the port bow of the "King George V," and thus at much longer range from the German ships than the battle-fleet. But at 7.15 they sighted the German battle-cruisers, and the mist clearing for a short time engaged them at a range of about 18,000 yards.

Under the heavy punishment inflicted the German battle-cruisers turned sharply away, after their battleships, at 7.21 P.M., and by 7.25 firing at the heavy ships had ceased.

GERMAN DESTROYER ATTACK

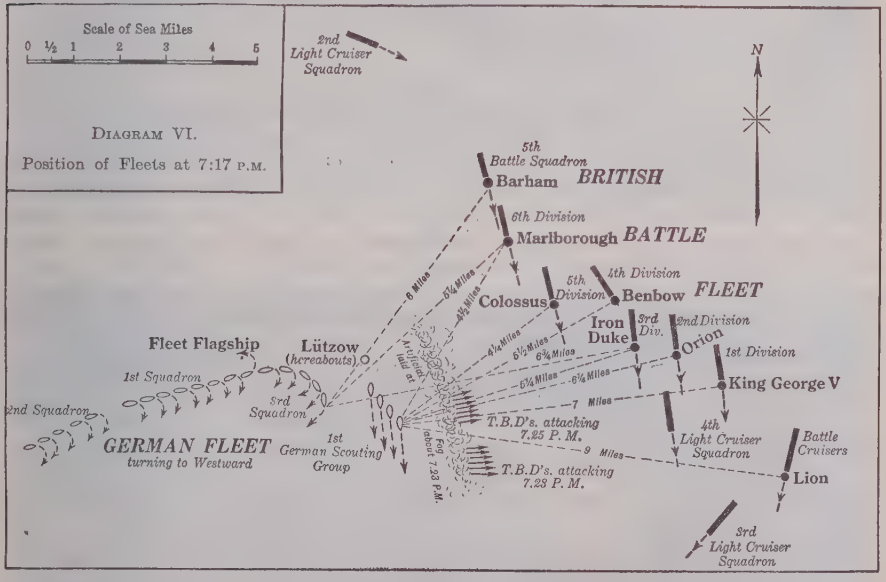
The German destroyers attacked as Admiral Scheer turned away, at 7.17 P.M. They had been sighted as early as 7.08 P.M. and engaged by the

[1] To permit the van squadron to form ahead of the centre squadron Admiral Jellicoe reduced speed between 7.20 and 8 P.M. to 15 knots. In spite of this reduction the van squadron found it necessary, owing to the alterations of course to the westward, to average 18½ knots speed during this period.

secondary armament of the British battleships as they came within range. The attack was in successive "waves," first by boats of the 6th Flotilla coming from a bearing 40° before the starboard beam of the "Iron Duke," threatening the van and centre; secondly by boats of the 9th Flotilla threatening the rear (Diagram VI).

German destroyers carried six torpedoes; one flotilla only (11 boats) could therefore discharge as many as 66 torpedoes.

The constant alterations of course to the westward by the battle-fleet had prevented the British destroyers from reaching a position for counter attack, and the battleships were dependent on their own gun-fire and on that of the 4th Light Cruiser Squadron, which was ahead of the battle-fleet by 7.22 P.M. and was ordered to attack the destroyers.



The 6th Flotilla was observed to turn at 7.25 P.M. being then about 8,000 yards from the "Iron Duke"; it was concluded they had just fired their torpedoes, and the British battle-fleet was then turned to port to avoid them, first two points and later a further two points.

At about 7.28 P.M. the 2nd Battle Squadron in the van being clear of torpedoes altered course to form ahead of the "Iron Duke" on a southerly course; at 7.35 a course S. by W. was signalled, and the battle-fleet directed to form single line ahead. One of Admiral Scheer's diagrams shows that 21 torpedoes were fired at this time; far fewer than was expected in view of the armament carried. Many torpedo tracks were seen to cross the British line, but the torpedoes, being near the end of their run, were avoided.

Attacks by the German 3rd and 5th Flotillas followed those made by the 6th and 9th; these were driven off by the 4th Light Cruiser Squadron, only one boat firing torpedoes.

The Germans lost one destroyer sunk, and two badly damaged by the gun-fire of the battleships and Light Cruisers, scored no hits, but effectually concealed Admiral Scheer's movements by means of the artificial fog screen developed simultaneously with the attack.

FURTHER MOVEMENTS OF THE BRITISH FLEET

In a wireless message timed 7.30 and received at about 7.45 P.M., Admiral Beatty, ahead of the fog screen and smoke, reported the "Lion" steering S.W. and German ships bearing N.W. by W. from her; he did not give their course; the battle-fleet therefore altered to the "Lion's" course, S.W., forming single line ahead at the same time.

But at 7.45 P.M. Commodore Goodenough in rear of the fog screen, reported a number of German ships as detached at 7.15 P.M. and steering N.W.; this made the situation again doubtful, but at 7.59 P.M. a searchlight signal received from Admiral Beatty, reported the leading German battleship bearing N.W. by W. and steering S.W.[1] Admiral Jellicoe then altered course to west to close the German Fleet.

MOVEMENTS OF THE GERMAN FLEET

Admiral Scheer continued approximately on his westerly course until well out of sight behind his fog screen, and by 8 P.M. had hauled round to south. He now knew from his destroyers that the whole British Grand Fleet was opposed to him, and in his despatch remarks that his only safety lay in reaching the Horn Reef before the British. To facilitate this he gave directions that all his destroyers were to be used for night attacks.[2] His movements indicated an intention of passing round the van of the British fleet.

At 8.15 P.M. he was steering south with the 2nd and 4th Scouting Groups leading, followed by the 2nd Squadron, 1st Scouting Group, and the 1st and 3rd Squadrons. His course converged sharply with that (west) of the British fleet.

THE FLEETS AGAIN IN CONTACT

At 8.15 P.M. the British battle-fleet was steering west at 17 knots in divisions; the battle-cruisers were between six and seven miles S.W. of the "King George V," steering W.S.W. with the 3rd Light Cruiser Squadron on the starboard bow steering west searching for the German fleet and the armoured cruisers on the port quarter; the 4th Light Cruiser Squadron, with the 11th Destroyer Flotilla, was between the battle-fleet and battle-cruisers, and the 2nd Light Cruiser Squadron steering west to the northward of the battle-fleet. (Diagram VII.)

Admiral Jerram had been directed by the Commander-in-Chief at about 8.10 P.M. to follow Admiral Beatty's battle-cruisers, but reported that they were not in sight. At 8.18, hearing gunfire on the port bow, he turned his squadron to W.S.W. The firing was the result of contact between the British 3rd Light Cruiser Squadron and the German 4th Scouting Group. After an action between these ships lasting for ten minutes the Germans turned away and were lost to sight in the dusk.

Admiral Beatty altered course to west on hearing the firing, sighted the

[1] The "Lion" was over 17 miles from the German van at this time and therefore obviously not in sight of it; the report was probably a repetition of that received at 7.45 P.M.

[2] This signal was intercepted by the Admiralty and Admiral Jellicoe informed at 10 P.M.



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H.M.S. "Marlborough," Admiral Sir Cecil Burney's flagship, which took part in the Battle of Jutland.

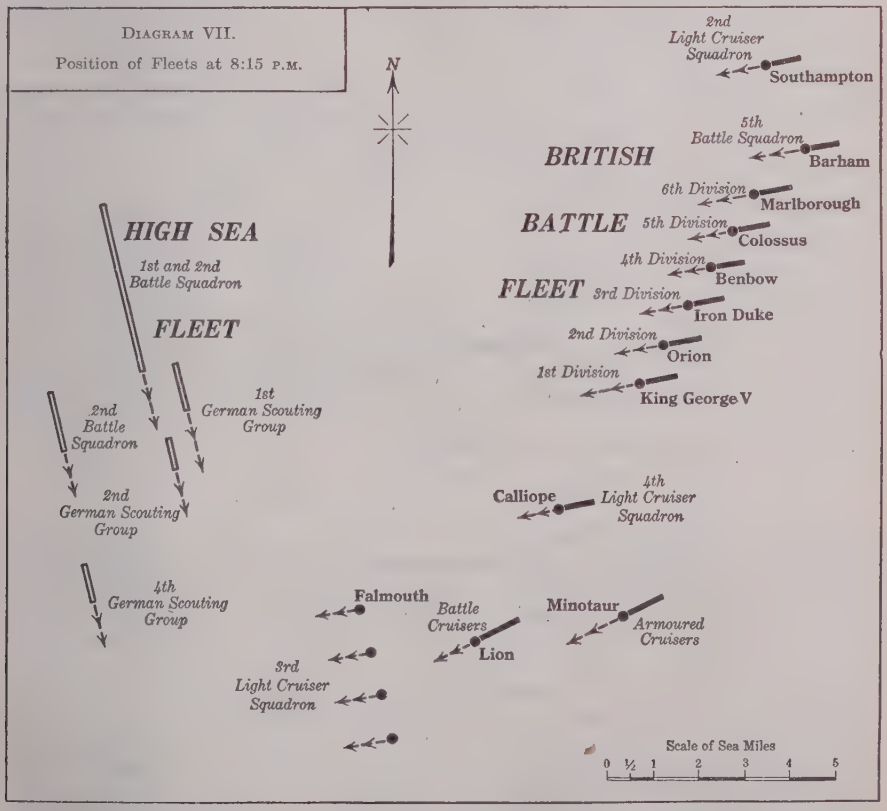


Imperial War Museum Photo. Crown Copyright.

Admiral Beatty's Battle Cruiser Fleet in the Firth of Forth with the Famous Railway Bridge in the background.

German battle-cruisers and turning to W.S.W. opened fire at about 8.21. The German ships, being in no condition for further fighting, turned sharply away, passing in rear of their 2nd (pre-Dreadnought) Battle Squadron, which the British battle-cruisers then engaged. This squadron held on until the 1st Scouting Group was out of range, and then turned away. The battle-cruiser "Derfflinger" and three ships in the 2nd Squadron were hit, and their return fire, owing to the bad light to the eastward, was ineffective except for one hit on the battle-cruiser "Princess Royal."

At 8.14 P.M. Commodore Hawksley, commanding the destroyer flotillas in the "Castor" light cruiser, attacked some German destroyers sighted



ahead of the battle-fleet. A portion of the 11th Flotilla and the 1st Division of the 4th Light Cruiser Squadron supported him. The German destroyers fired torpedoes (two of which were seen to pass through the battle-fleet line) and retired, being chased by the British vessels, from which the leading battleships of the German 1st Squadron were suddenly sighted at 8.26 P.M., about four miles off. These vessels opened fire and the light cruisers fell back toward the "King George V," the "Calliope" receiving three hits, after firing a torpedo.

Between 8.21 and 8.30 the British battle-fleet steered in the direction of the gun-fire heard between bearings W.S.W. and S.W. from the "Iron Duke," but did not sight the German fleet in the rapidly failing light, each of its squad-

rons having turned to the westward or north-westward by 8.30 P.M. The position at 8.45 is shown in Diagram VIII.

DISPOSITIONS FOR THE NIGHT

With the advent of darkness fresh dispositions were necessary. The idea of a night action between the heavy ships was at once rejected by Admiral Jellicoe, the reasons amongst others which influenced him being:

(1) As is well known such an action possesses a strong element of pure chance; the value of the Grand Fleet to the Allied cause was far too great to be made the sport of chance.



(2) It is extremely difficult to distinguish friend from foe, and there is great danger of ships on the same side engaging each other.

(3) A night action would discount the value of the preponderating artillery fire possessed by the British fleet.

(4) It would give the German fleet the opportunity to take advantage of the superior torpedo armament known to be possessed by both ships and destroyers, as well as of their more perfect defensive arrangements.

The object now was to take such steps as would ensure contact with the High Sea Fleet on June 1 before it could reach its bases. It was inferred that the German fleet was on a bearing approximately W.S.W. from the "Iron Duke" and according to a report from the "Falmouth" at 8.46 P.M. steering W.S.W.; reports indicated that its squadrons were scattered; Admiral Scheer might be expected to stand well to the westward or south-westward before seeking to regain his base. According to British information he had

four routes to safety: (1) by the Skagerrack, (2) by the Horn Reef, (3) along the Friesian coast, and (4) by a swept channel to the north-westward of Heligoland. Of the four the second seemed to Admiral Jellicoe the least probable, as he expected Admiral Scheer to be aware of the fact that British submarines had been of late watching the Horn Reef exit. These facts led Admiral Jellicoe to decide to steer south to a position commanding both the Heligoland and Friesian coast routes. He intended to close the Horn Reef at daylight unless events during the night altered his views. In order to make the passage via the Horn Reef dangerous, should that route be taken, the Commander-in-Chief at 10.15 P.M. directed the "Abdiel" to lay a line of mines in a position to the southward of the three British submarines, already stationed off the Horn Reef.

In furtherance of his plan the Commander-in-Chief altered course to south at 9 P.M., formed the British battle-fleet in three squadrons in line ahead one mile apart, and stationed the destroyers five miles astern for the double purpose of attacking the High Sea Fleet should it follow to the southward, and of protecting the British fleet from destroyer attacks. At 9.05 P.M. the "Lion" reported the 8.40 P.M. position of the German battle-cruisers; at the same time Admiral Jerram reported the "Lion" in sight. The two reports combined placed the Germans at 9.05 about 15 miles N.W. of the battle-fleet, which position differed from that given in earlier reports. The discrepancy was due to the ships taken in the dusk by Admiral Jerram for British being in reality German; they were unsuccessfully attacked with torpedoes by the "Caroline" and "Royalist."

Admiral Beatty turned his battle-cruisers to a course south at 9.30 P.M., stationing his two Light Cruiser Squadrons to the westward. His position then and throughout the night was about 13 miles W.S.W. of the "Iron Duke."

THE NIGHT ACTIONS

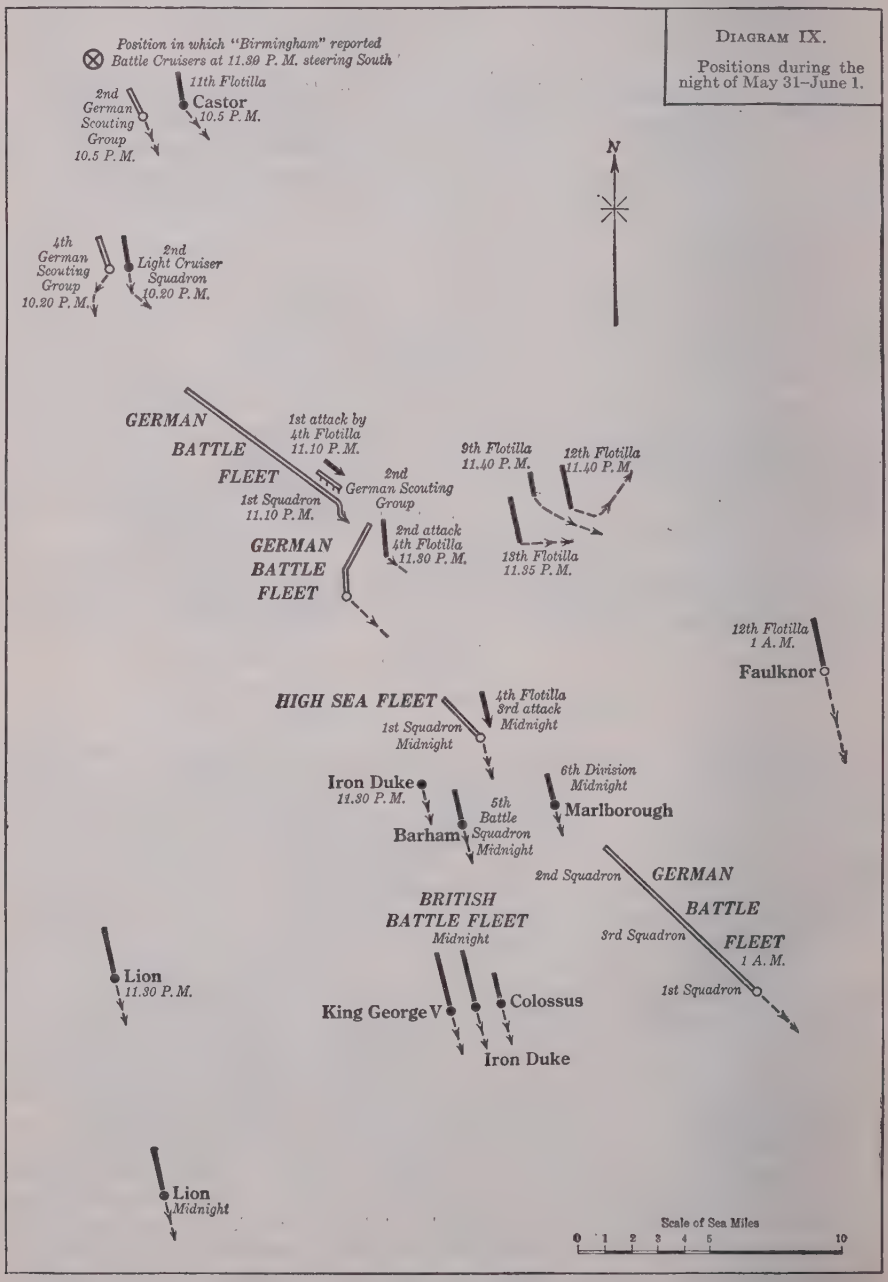
As mentioned earlier, Admiral Scheer had decided to make for the Horn Reef; he states in his despatch that he intended to take the shortest route and to press on *regardless of night attacks*. To this bold decision his escape was due. In making it he was probably influenced by his knowledge of the excellence of the night defence arrangements of his ships. At about 9.30 P.M. he shaped course S.S.E.$\frac{3}{4}$E. at 16 knots with the 2nd and 4th Scouting Groups leading, and his destroyers advancing on a sector from E.N.E. to S.S.W. His course soon brought him into contact with the British fleet.

At 10.05 P.M. Commodore Hawksley in the "Castor" with the 11th Flotilla sighted the 2nd Scouting Group on his starboard bow. He took them for British ships as they made the correct British challenge,[1] but they then switched on searchlights and opened fire; this was returned, the "Castor" receiving several hits. The "Castor" and two destroyers fired torpedoes, but without result; fire was not opened from the remaining destroyers because it was thought that the ships in sight were British.

At 10.20 P.M. a fierce engagement lasting for 15 minutes took place between the British 2nd Light Cruiser Squadron and the German 4th Scouting Group, which sighted each other at a distance of 800 yards. On the British side the "Southampton" and "Dublin" received many hits and sustained severe casualties, whilst the Germans lost the "Frauenlob," sunk by a tor-

[1] On board the "Lion" the Challenge and Reply for the day had been lost and at 9.32 P.M. the "Lion" asked the "Princess Royal" for it by flashing signal. The reply may have been read by a German ship.

pedo from the "Southampton," very heavy casualties being sustained in the other ships of the German Scouting Group. The opposing squadrons turned



away to extinguish fires which had broken out; most unfortunately, wreckage of the "Southampton" wireless installation prevented Commodore

Goodenough from reporting the action to the Commander-in-Chief until 11.30 P.M.

Between 10.30 and 11.30 P.M. information bearing on the situation reached Admiral Jellicoe. Two reports came from the Admiralty, the result it was presumed of directional wireless bearings or intercepted signals. The first, received at 10.40 P.M., reported the rear ship of the German battle-fleet to be in a position which put her eight miles to the southward of the "King George V" at 9 P.M., steering south. This information was disregarded as obviously incorrect. The second report, received shortly before 11.30 P.M. but despatched at 10.41 P.M., stated that the German fleet was believed to be returning to its base as its course was S.S.E.$\frac{3}{4}$E., speed 16 knots.

But just afterwards, Commodore Goodenough (at 11.38 P.M.) reported his 10.20 engagement with German light cruisers, and the "Birmingham" of his squadron at 11.30 P.M. reported that battle-cruisers "probably hostile" were then (11.30) in sight, on a course south; the position given was 30 miles to the northward, *i.e.*, slightly on the starboard quarter of the "Iron Duke."

Of these reports, that from a ship actually in sight of German vessels was taken as the most reliable; it indicated to the Commander-in-Chief that the High Sea Fleet was following him 30 miles astern and on the same course, *i.e.*, south *not* S.S.E.$\frac{3}{4}$E. It was considered probable that even if the Admiralty report timed 10.41 P.M. had been correct when despatched, the Germans had altered course subsequently and the signal ordering the new course had not been intercepted by British stations.

On the German side Admiral Scheer had been informed at 10.30 P.M. by the German wireless station at Neumünster of Admiral Jellicoe's signal ordering the British flotillas to take station five miles astern of the battle-fleet, which had been intercepted and decoded. This information was of priceless value to him as once the British flotillas were located, he knew the position and course of the battle-fleet, even if the signal ordering the course south had not also been intercepted, as to which there is doubt.

The British 4th Flotilla came into contact with the German van at 11.10 P.M. For some minutes Captain Wintour, commanding the flotilla, had been unable to make out whether the ships dimly seen on his starboard side were friend or foe. He finally challenged, and a devastating fire was at once opened on the "Tipperary" and her consorts. Several destroyers fired torpedoes, including the "Tipperary," which was disabled, but some withheld their fire for a time, still uncertain of the identity of the ships seen. In the confusion caused by this attack, the "Elbing" of the German 2nd Scouting Group was rammed by a German battleship and sank later on; the German battleships turned to the westward for a time away from the attack. The "Broke," which took the place of the disabled "Tipperary" as flotilla leader, sighted, and attacked at 11.30 P.M. a vessel believed to be a battleship. This vessel opened fire and disabled the "Broke's" steering gear, causing her to ram the destroyer "Sparrowhawk"; the "Contest," another destroyer, in the blinding glare of searchlights and gun-fire, also rammed the "Sparrowhawk" just afterwards. In this encounter the German light cruiser "Rostock" was torpedoed and she sank during the night. A portion of the 4th Flotilla now led by the "Achates" came once more in contact with strange ships at midnight. Doubt as to her identity again led to some of the destroyers not firing, but several torpedoes were fired, and it was thought at the time that one from the "Ardent" had taken effect.

In these three gallant attacks by the 4th Flotilla the British lost the "Tipperary" and three destroyers sunk, and others disabled, and the Germans lost two light cruisers.

The searchlights, star shell and gun flashes during the actions recorded above were seen in the "Iron Duke," and taken for the expected destroyer attacks made by either British or German vessels and supported possibly by light cruisers. Notations made on board the various British battle-ships during the nightfall refer also to the fighting as being of this character.

The order of the British flotillas from west to east at 9.30 P.M. was 11th, 4th, 13th (9 boats), 9th (5 boats), 12th. The "Marlborough" (unknown to the Commander-in-Chief) dropped astern from inability to maintain a speed of 17 knots, and a gap gradually opened between the 4th Flotilla and those to the eastward which were keeping station on the "Marlborough." This gap was widened between 11.30 P.M. and midnight under the following conditions.

German shell (fired at the 4th Flotilla) were falling amongst the van vessels of the 13th Flotilla, and the leader, thinking that the fire was directed at his destroyers, and that the presence of the 4th Flotilla between himself and the Germans prevented him from attacking, turned to the eastward; this caused both the flotillas on his port side to turn also to the eastward (Diagram IX), leaving a clear route for the High Sea Fleet.

However, the 12th Flotilla, commanded by Captain Stirling in the "Faulknor," resumed a southerly course at 12.15 A.M. and came in sight of the German battle-fleet steering about S.E. at 1.45 A.M., June 1. The German ships sighted the destroyers and turned away; the 12th Flotilla keeping out of sight got ahead of them, altered course to N.W. at 2 A.M. and carried out a gallant and successful attack. Twelve torpedoes were fired resulting in the German battleship "Pommern" being hit and blown up with all hands. It was thought at the time that a second battleship had been destroyed in a second attack by the "Maenad."

Captain Stirling sent two wireless reports to his Commander-in-Chief, the first giving the position, and the second the course of the German battle-fleet, but owing probably to German wireless interference, neither report was received by any British ship except the destroyer "Markman," then close to the "Faulknor." Had the reports been received, however, it is improbable that they would have resulted in the High Sea Fleet being intercepted, for the first signal gave the "Faulknor's" position as 10 miles astern (*i.e.*, north of the 1st Battle Squadron; the second reported the German course as S.S.W. The "Faulknor's" actual position was 19 miles N.E. of the "Marlborough," which ship herself was approximately N.N.E. 12 miles from the "Iron Duke" instead of one mile east of her as the Commander-in-Chief imagined. The report would have indicated to him that the German fleet was 10 miles directly astern, whereas it was in reality 30 miles N.E. by N. of the "Iron Duke," and if he had turned north to the position given him, he would have passed some 15 miles off the German ships, and could not have seen them, the visibility being only three miles.

The final work of the destroyer flotillas was an attack by the "Moresby" on four German battleships at 2.35 A.M. It was thought at the time that the torpedo she fired had hit a battleship, but in reality the victim was the German destroyer V4, which was sunk.

THE SEARCH FOR THE HIGH SEA FLEET

Admiral Jellicoe altered course to North at 2.40 A.M. A wireless report despatched from the Admiralty at 1.48 A.M. and received by him at about the time of the turn to North placed the damaged "Lützow" at midnight in

Lat. 56.26. N., Long. 5.41 E., the identical position in which the "Birmingham" reported battle-cruisers at 11.30 P.M. This confirmatory evidence strengthened his expectations of meeting the High Sea Fleet to the northward. The fighting that had taken place during the night, even if confined to the respective light forces, was expected to force the German fleet to the westward or northward. Concentration of the British fleet being necessary, all squadrons and flotillas were directed at 2.22 A.M. to close the battle-fleet. The "Colossus" then reported the absence of the "Marlborough's" division from the battle-fleet, which having with it only the 4th Light Cruiser Squadron — lacked "eyes"; there were no destroyers in sight, and as the Admiralty 1.48 A.M. message had also informed the Commander-in-Chief that all German submarines were coming out from their ports, a destroyer screen was needed. In view, however, of the low visibility, the possibility of early contact with the German fleet necessitated the battle-fleet being formed in single line, in disregard of the submarine danger.

At 3.40 A.M. course was altered towards the sound of gunfire heard on the port beam, but the hope thus raised that the German fleet had been sighted by the battle-cruisers was dispelled by the 3rd Light Cruised Squadron reporting by wireless that the firing was at a German airship; the northerly course was then resumed. Soon afterwards Admiral Beatty asked permission to sweep S.W. to locate the German fleet. He had last seen it steering that course and had evidently formed the natural impression that Admiral Scheer would try to regain his base by passing to the westward of the British fleet.

In view of the information received during the night, Admiral Jellicoe felt that the German fleet could hardly be to the westward of his battle-cruisers, so he held on to the north to meet it, endeavouring at the same time to regain touch with his light craft.[1] At about 4.00 A.M. a signal from the Admiralty (despatched at 3.29 A.M.) reached him stating that at 2.30 A.M. the German main fleet was in Lat. 55° 33′ N. Long. 6° 50′ E., *i.e.*, 16 miles to the westward of the Horn Reef Lightship, steering S.E. by S.

Allowing the widest margin for error it was obviously impossible for the Grand Fleet to intercept Admiral Scheer, who would by 4 A.M. be in the swept channel through the mine-fields, and it became apparent to Admiral Jellicoe that his opponent had escaped him. Thenceforth his movements were directed to endeavouring to locate and cut off injured German vessels, but these had as a matter of fact all sunk, and at 11 A.M. this being clear, he shaped course for his base.

The weather was apparently thicker in the vicinity of the Horn Reef than further west, for Admiral Scheer stated in his despatch that he could barely see the length of one squadron (2¼ miles). He waited off the Horn Reef for a short time, for the battle-cruiser "Seydlitz," received a report from his airship "L.11" of the presence of the British fleet to the westward, decided that his ships were in no condition for further fighting, and proceeded towards his base. On the way the battleship "Ostfriesland" struck one of the mines laid by the "Abdiel" on May 5, but managed to reach harbour, while it became necessary to beach the "Seydlitz," severely damaged during the fighting, at the mouth of the Jade River, to save her from sinking.

[1] Owing largely to the difficulty of maintaining accurate dead reckoning, particularly in the destroyers, under the conditions of night action, the concentration of the fleet was not effected for several hours. The battle cruisers were in sight at 5 A.M. with their Light Cruiser Squadrons; the cruisers were in touch at 5.30 A.M., all these vessels being sent eastward to search for German ships; the destroyers were met at 8.45 A.M. and Admiral Burney's division of the battle-fleet at 7.30 P.M.

LOSSES IN THE BATTLE

The losses sustained by the opposing forces in the battle of Jutland were as follows:

On the British side: Three battle-cruisers, two armoured-cruisers, and eight destroyers were sunk in or shortly after action, and one armoured-cruiser sank on her way across the North Sea towards her base; 6,097 officers and men were killed and 510 wounded. These losses except the sinking of one battle-cruiser, one armoured-cruiser [1] and five destroyers occurred before the British battle-fleet came into action.

On the German side: One battleship, one battle-cruiser, four light cruisers and five destroyers were sunk; 2,545 officers and men were killed and 494 wounded.

The greater loss of life on the British side was the result of five ships being blown up with practically all hands, their destruction being due not so much to the number of hits they received as to the excellence of the German shell and delay-action fuses which, combined with the comparatively light protective armour in the British ships, enabled the explosion of the shell to reach the magazines.

The Germans were fortunate in being able to take off the survivors from the "Lützow" (1,250 men), "Elbing" and "Rostock" before these vessels sank during the night,[2] and in the greatly damaged "Seydlitz"[3] reaching shallow water before it became necessary to beach her. Her bows were flush with the water when she was beached.

THE RESULTS

As is usually the case when a naval battle does not result in the capture or destruction of a large portion of one of the two fleets, both sides claimed the victory, the Germans basing their claim on having inflicted greater material losses than they received, together with a mistaken impression (the result of an incorrect report from airship L.24) that the capital ships of the Grand Fleet on the morning of June 1 were split up into three detachments, and were therefore avoiding action.[4] The foregoing narrative will show how incorrect was this assumption.

The British claim to victory rested on surer foundations: —

(1) In the fact that the High Sea Fleet, from the moment that the British battle-fleet appeared, consistently refused action and manœuvred with the sole object of returning safely to its base.

[1] The "Black Prince." This ship apparently lost touch with the British fleet after reporting German battle-cruisers in sight at 5.40 P.M. (see page 334). At 8.51 P.M. she reported a submarine in sight. She evidently steered south at about 9 P.M., and at midnight came under the fire of the German battleships "Ostfriesland" and "Thüringen," was heavily hit and blew up.

[2] The "Lützow" was hit by about 40 projectiles and by at least one torpedo. She had 7,000 tons of water in her, and was finally sunk by a German torpedo at 2 A.M.

[3] The "Seydlitz" was hit by at least 30 projectiles and one torpedo, and the "Derfflinger," according to her gunnery officer, received 25 hits from the largest calibre shell and as many more from those of lesser calibre. In both ships the hits were mostly on the port side. These two ships were not ready for service again until November and September, 1916, respectively. The greatest number of hits on any capital ship on the British side was 13 (in the case of the "Warspite"), and all injured British ships were repaired by August 2.

[4] This message from airship L.24 at 3 A.M. on June 1 reported "12 ships in Jammer Bay" (90 miles north of the Horn Reef). Needless to say, these ships did not belong to the Grand Fleet.

(2) That on June 1 the movements of the Grand Fleet were directed towards a renewal of the action as soon as the High Sea Fleet could be located. On the other hand, Admiral Scheer himself states that owing to the condition of many units of his fleet, he did not consider it desirable to seek an offensive against even the 12 British ships reported by airship L.11 to the westward of the Horn Reef on the morning of June 1 (Scheer, page 166).

(3) That the German fleet only once left the vicinity of the Heligoland Bight after the battle of Jutland, viz., on August 19, 1916, and on that occasion Admiral Scheer, warned by his numerous airships stationed to the northward, that the British battle-fleet was at sea and steering to meet him, retired to his base long before the fleets were in contact. The next trip of the High Sea Fleet towards the British coast was for the purpose of surrendering.

Captain Persius, the well-known German writer on naval matters, probably summed up the situation, as seen in Germany, when he stated in the *Berliner Tageblatt* on November 18, 1918: "Our fleet losses were severe, and on June 1, 1916, it was clear to every thinking person that this battle (*i.e.*, the battle of Jutland) must and would be the last one. Authoritative quarters said so openly."

CHAPTER XV

THE BATTLE OF JUTLAND

THE PERSONAL NARRATIVE OF THE GERMAN ADMIRAL IN COMMAND.[1]

By Admiral Reinhard Scheer

Commander-in-Chief of the German High Sea Fleet, from January, 1916, to the end of the World War. In command at the battle of Jutland. Author of *Deutschland's Hochseeflotte im Weltkrieg.*

WHY WE FOUGHT THE BATTLE

England's participation in the World War of 1914–1918, showed the decisive importance of sea-power, for as the war drew towards its end the German armies on all fronts were still on enemy soil.

It is remarkable that between the two capital fleets only one battle was fought, and this after the war had already raged for two years. Never again in the following two and a half years did the British even try to bring on a decisive action.

It was expected on the German side that the British fleet would challenge the German fleet to a fight soon after the outbreak of the war, a fight which certainly could have been forced by an operation against the German coast, and that the British navy, relying on its ability and superiority, would undertake it in order to weaken German sea-power to such an extent that Germany's fleet would be of no further influence in the war. This expectation was wrong. England had no intention of forcing a battle with the German fleet. Winston Churchill, the First Lord of the Admiralty, said clearly in a speech in the Guildhall, November 9, 1914, that "economic stringency," enforced by blockade, would be the means of bringing Germany to her knees.

This blockade was supported by the unimpaired existence of the British fleet, "the fleet in being." The respect it commanded made it possible to disregard the objections of the neutral Powers, who were damaged by the blockade and whose rights were infringed. It was therefore one of the capital objects of the Germans to weaken this fleet and with it British prestige.

Difficult as this object might be for a weaker fleet, such difficulty ought not to be allowed to dampen the fighting spirit. If a weaker force lacks the

[1] The battle of Jutland is still being fought, although years have passed since it took place. It has excited probably more controversy than any other single battle of the World War, both the British and Germans claiming a victory. The Editor of *These Eventful Years* asked each of the two commanding officers to tell the story of the battle as he fought it. These two personal narratives, with the many diagrams (supplied in each case by the writer) illustrating the exact position of each of the vessels engaged, will enable the reader to form his own opinion as to who was the real victor in this historic conflict. For the British account, see the chapter immediately preceding this, written by Admiral Jellicoe, Commander-in-Chief of the Grand Fleet.



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German torpedo boat in action during the Battle of Jutland.



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A German mine-laying flotilla returning from a cruise along the Finnish coast.

courage of enterprise, it is better for it to capitulate at once. Acts of daring do not mean that every precaution should not be taken to create favourable conditions so as to attain ultimate success. These were the ideas by which our actions were controlled at the time I received the order to take command of the German High Sea Fleet, in January, 1916.

An attack by the German fleet upon the northern part of the British Isles, or against the base of the British fleet in the Orkneys, would have been playing directly into the hands of our enemy. He would have had the choice of time and place to begin the battle. The attacking force could not so far away from its base be sure of help from all its auxiliary forces, especially of torpedo boats, to aid the battle-fleet in a day-battle or in the attack during the following night. The scouting of our air-ships, so valuable because of our deficiency in light cruisers, would not have been available at such a distance. The long return to our base would have enabled the enemy to choose the time for attack and, in case of a battle, our heavily damaged ships would have found it difficult to regain their home ports.

The secondary tasks which impose themselves on a fleet in war time diverted the attention of the German fleet from its main object during the first two years of the war, and did not bring us any nearer to bringing about a favourable issue of the war itself.

The fact that we held command in the Baltic, that Swedish shores remained at our disposal, that the operations of our army were not interfered with by the landing of enemy troops on our otherwise undefended coasts — these were all due to the presence of our fleet. Certainly our victories in France and Russia were not to be undervalued, for they kept the enemy away from German territory. But the British power of resistance was in no way impaired by them, while the German people as well as those countries which supplied our fighting forces with necessary material, suffered heavily by being shut off from the world's trade.

If relief were to be found, if British trade were to suffer, if the backbone of British strength, the fleet, were to be weakened, it could only come from success at sea.

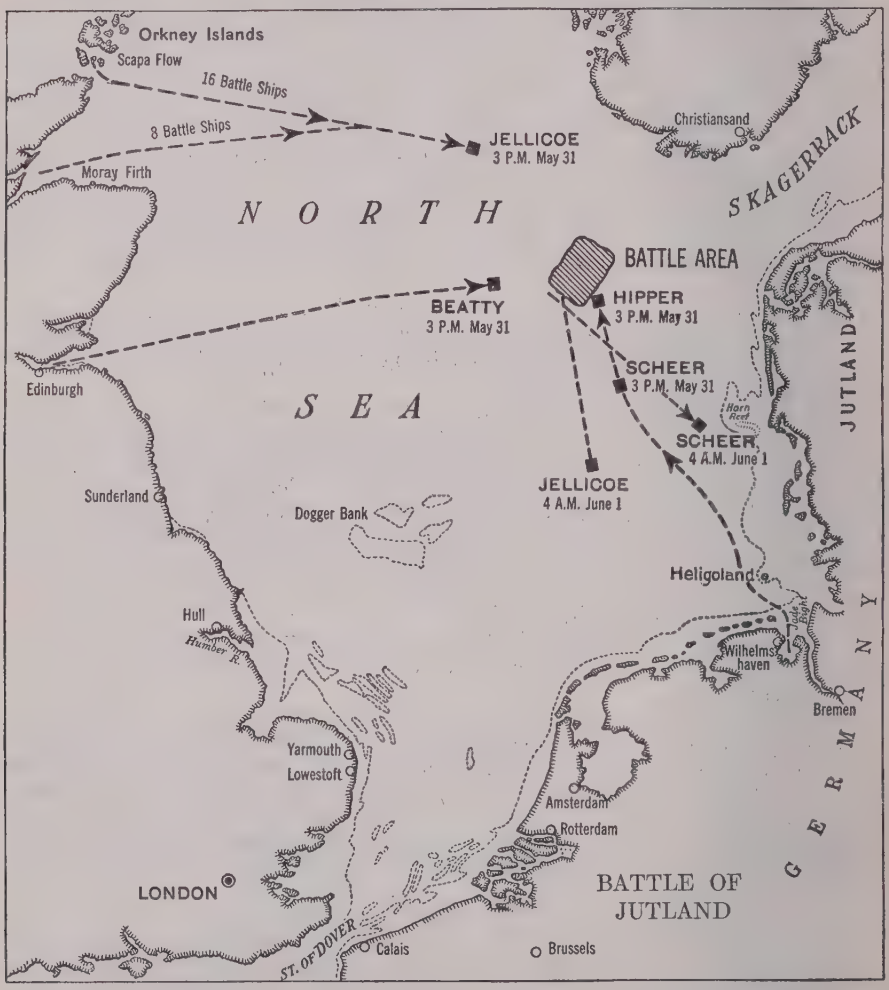
Strategical considerations cannot alone decide how a war is to be fought. The moral propensities of a people, which develop under the pressure of war — perseverance, the willingness to sacrifice, fortitude, the ability to lead — all these expressions of the will-power of a people have to be directed in the right way. These qualities are imponderable, but they are of decisive influence. If they were the same amongst mankind, numerical and material strength alone would decide everywhere, and no hope would be left to those who, while weak, were morally in the right and were straining every nerve to resist successfully the brutal might of the stronger.

To-day no serious man, even among our enemies, believes that the German Empire, which was prospering in all respects, intentionally and solely with the object of extending its power, embarked in a fight with Powers so superior as our opponents in the World War.

It was for what they felt to be the right that the whole German nation, notwithstanding many differences in home politics, stood together like *one* man in the conviction of duty, and the will to defend their country with all their energy.

In this fight with superior powers, the fleet, as the arm created to protect the seafaring interests necessary to the life of German trade, was eager to justify the confidence the nation had put in it and wished in no way to fall behind the army in sacrifice. To fail to make use of such moral reserves would have been to sin against the necessity of the moment when

all means had to be strained for a successful issue. The belief in the navy's ability was based on the knowledge of its training in peace-time. But proof had to be given in the serious time of war. To avoid such proof was absolutely against the wish of both officers and men of the fleet. Of this I was firmly convinced. The British fleet had avoided a fight; the German



fleet had heretofore not sought a fight because minor and momentary considerations had been given too much weight. This could not go on. That is why we fought the battle.

GERMAN PLAN OF ACTION

Since the beginning of this century, the composition of the navies of the chief sea-powers has shown a great similarity as to the different types of ships. The strongly armoured battleship, with about ten guns of heaviest

calibre, forms together with other ships of its kind, the line of battle and the nucleus of the fleet. The decision in fight lay with the artillery, which was able to throw shells filled with explosives, and having at the same time high armour-piercing quality, a distance of 20,000 metres. At this range a target, 200 metres in length, nine metres in height, and 30 metres in breadth, could be hit with certainty. The speed of these ships of the line was 20 miles an hour. To them battle-cruisers were added in the proportion of one to four battleships. The battle-cruisers surpassed the speed of the ships of the line by some six knots, had the same calibre of guns, but less armour and fewer guns in proportion to their displacement. The measurement of both these classes of ships was about 25,000 tons.

The first ship of this type was the British Dreadnought, built in 1905, of about 19,000 tons. With the passing years this kind of ship had been made more efficient but had remained in principle the same, whether battleship of the line or battle-cruiser. The other kinds of vessels, such as light cruisers, torpedo-boat destroyers and torpedo-boats, were of a more varied type in the different navies, but their differences were not strong enough to influence the outcome of a battle. One of the chief necessities for a fleet was timely and correct information, so as to have knowledge of the strength and position of the enemy's main fleet. This information was obtained by light cruisers. According to their report the initial and most favourable position for the battle had to be chosen. Besides this scouting, another duty of the light cruisers was to veil the movements of the fleet, and for this a number of light cruisers was necessary. In this respect the British fleet was absolutely superior to ours. The Zeppelins on our side were able to perform most valuable scouting, but they were too dependent on the weather to be counted on securely for service with the fleet. They were, too, most vulnerable, were not able to defend themselves, and had to retreat before any armed ship. The U-boats, which rose to be a most important arm in this war, were unable to coöperate tactically with the fleet because of their lack of speed. These boats received orders which they were able to execute only according to their abilities.

The object of the German fleet was to draw the enemy away from his remote base to a place where the German fleet, notwithstanding the difference in numbers, need not shrink from accepting battle. For this purpose two sudden attacks were undertaken in the spring of 1916 against the south-east coast of England. Although on the second occasion even the fortified ports of Yarmouth and Lowestoft were bombarded, the British fleet did not appear in time either to prevent this or to cut off the retreat of the German force and thus to compel them to battle. The disappointment in England was considerable. The First Lord of the Admiralty tried to calm the feeling of his countrymen by declaring that he had taken the necessary precautions so that the German fleet should be punished severely if it tried such attacks another time. This opportunity we were most willing to give by a sudden attack to be delivered on the central British east coast in the direction of Sunderland, north of the mouth of the Humber. This enterprise seemed risky without the scouting of the Zeppelins, as we had no wish to fight a battle in a position unfavourable for our artillery. The omission of any precautions, which might have led to disaster, would have been punishable. We still lacked experience as to the value of the British fleet in action, but we had no reason to doubt the ability with which it would be handled.

As the German ships had finished their repairs and overhaulings soon after the middle of May, 1916 — the "Seydlitz" had been damaged by a mine in April during the last enterprise — the new plan was now to be executed. Some of the U-boats had been withdrawn from their attack on

British trade, and 16 of them were now despatched to lie in waiting before the different harbours of the British coast between the Humber and the Orkneys. They were ordered to attack vessels leaving port, with the hope that by damaging some of them the difference of numbers, which was sure to be against us, might be somewhat reduced. They were to remain in these positions till the first of June. By that time I hoped to execute our plan. But the weather was continually unfavourable for the use of the Zeppelins. To profit from the U-boats already sent out, the plan was altered, and the coöperation of the airships given up. The new plan was directed against the trade in the Skagerrack, where the peninsula of Jutland gave us a certain shelter against surprise from the east. The very last possible date, May 30, was chosen for the undertaking. The forces under the command of the Admiral of the Fleet were: one squadron of five battle-cruisers led by Vice-Admiral Hipper; two groups of eleven light cruisers, of which one

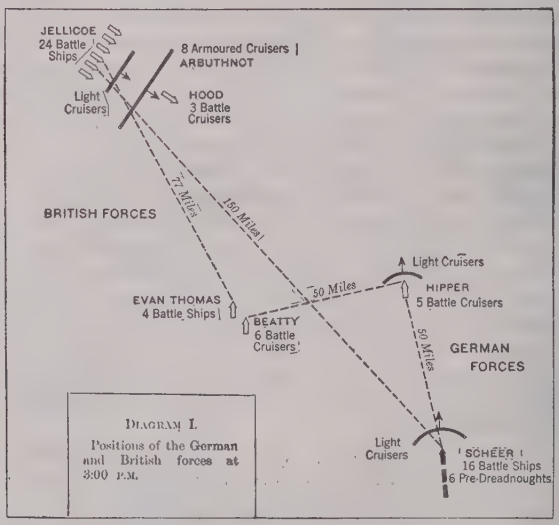


DIAGRAM I.
Positions of the German and British forces at 3:00 P.M.

group of six was attached to Admiral Hipper, the five others serving as a screen for the main force of the battle-fleet. This main force, commanded personally by the Chief of the Fleet, Vice-Admiral Scheer, was composed of three squadrons comprising altogether 16 modern ships of the line and six somewhat obsolete battleships, carrying only four 28 cm. guns each. In addition there were seven flotillas of torpedo-boats. Three of them were attached to Admiral Hipper, four were kept with the main fleet; in all there were about 70 vessels. On May 30, the fleet was assembled on the Jade, the bight near Wilhelmshaven. The cruisers led by Admiral Hipper left at two o'clock in the morning of May 31. The fleet followed half an hour later to give the cruisers with their superior speed the chance of being well ahead, so that on meeting the enemy the presence of the main fleet might not be discovered at once, though it might still be near enough to be able to render assistance in case of emergency. The order of the line was: First, the Third Squadron, the ships of the "Kaiser" and "König" class, each with ten 30 cm. armament. Then came the First Squadron, eight ships of the line of Dreadnought type, but less modern than those of the "König" class. Lastly came the Second Squadron with six ships of the pre-Dreadnought or "Deutschland" class.

In view of the possibility of encountering mines in the German bight, which had been well swept beforehand, the ships steamed in single file. From the Third Squadron one ship, the "King Albert," was missing on account of damage to its engines, the repair of which we could not wait for. In its place the flagship of the fleet was ranged as the closing vessel of the Third Squadron. This place was chosen in order to afford a better view of the line, for the fleet steamed with 500 metres distance from ship to ship, and 1,000 metres between the squadrons, so that the whole length of the line was 11 kilometres. The position at the head of the line was abandoned for one could not know whether the manœuvres of the enemy encountered might not lead us to reverse the line, in which case the flagship of the fleet would have become the last ship in the rear. The weather on our steaming out was very clear, a light breeze blowing from the north-west, the water smooth. The forenoon, also the first hours of the afternoon, passed without sighting any ship of the enemy. A general disappointment seemed to arise, as no trace of the enemy was to be found, but soon after 3.30 P.M. a wireless signal was received by the "Friedrich der Grosse" saying that our advance guard had sighted several light cruisers of the enemy, and that these had turned away to the north (Diagram II). Soon afterwards the Admiral in charge of the cruisers sighted in the west two columns of large ships steering east. He advanced to attack them. The ships of the line now closed their ranks to a distance of 500 metres from ship to ship and ran with highest speed and in a northerly course to join our cruisers. These were, at 3.30, a distance of about 50 miles from us.

THE BATTLE OPENS

At 4.45 the Admiral in charge of the cruisers reported that he was engaged in a fight with six battle-cruisers of the enemy on a south-easterly course. These battle-cruisers were: "Lion," "Princess Royal," "Queen Mary," "Tiger," "New Zealand" and "Indefatigable," under the command of Vice-Admiral Sir David Beatty. It was he who had, perhaps with the intention of barring the way southward to our cruisers, developed the fight on a south-easterly course; in this way the distance between the fighting cruisers and the approaching German main fleet quickly diminished. This course was the more fortunate for our side, as we had the advantage of the wind, which carried smoke and fumes to the east and gave our artillery a free outlook toward the enemy. At 5.13 the last ship of the line of the British battle-cruisers, the "Indefatigable," having been hit by a salvo from our battle-cruiser "Von der Tann," sank with a terrific explosion. The German main fleet had in the meanwhile taken a westerly course so as to enclose the enemy's battle-cruisers between itself and Hipper's ships.

But at 5.20 a new squadron of four or five large ships of the enemy had appeared on the scene and had joined the fight. I held it necessary in view of the superiority on the British side to hasten by the shortest way to the assistance of our own cruisers (Diagram III).

At 5.30 the British battle-cruiser "Queen Mary" was sunk by the artillery of our cruisers. During this fight of the cruisers the German torpedo-boats dashed forward to the attack, and British destroyers were thrown against them. A fight between these ensued at distances between 1,000 and 1,500 metres. Two German boats were sunk as well as two of the British. Two other British boats, "Nestor" and "Nomad," were put out of action and lay between the lines without motion. They were afterwards destroyed

by the approaching ships of our line. The first phase of the fight between the cruisers had been most advantageous for us. The fact that the four British battleships under the command of Admiral Evan Thomas reinforced Beatty's ships made no change, as the fire of their 38 cm. guns had been delivered at so great a distance, that when the German main fleet came in sight of the fighting lines, both at highest speed, no damage had yet been done.

The British commander now broke off the engagement and turned northward with his remaining four battle-cruisers and the four battleships. They came within reach of the artillery of our foremost ships of the line and were pursued at once. If we stuck to them it was certain that they would make use of their superior speed to draw us towards their main fleet. This

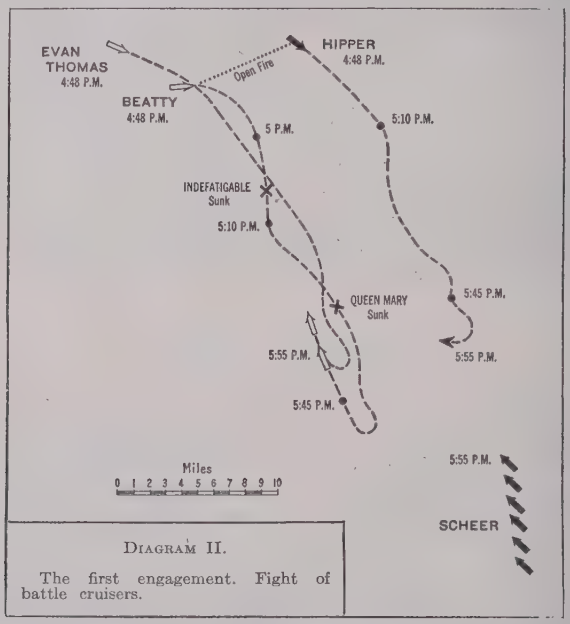


DIAGRAM II.

The first engagement. Fight of battle cruisers.

was what in fact happened. It was a considerable advantage to the British, that in this way their main fleet received full information as to our strength, formation, course, and position. As a result their Commander-in-Chief could at once prepare for the meeting and develop his squadrons in time and so advantageously as to employ his full artillery power.

THE GERMAN FLEET IN PURSUIT

The German admiral on the contrary knew nothing of the approach of the British main force in full strength. If he kept on pursuing these cruisers the latter were bound to succeed in leading him into the prepared embrace of the full British fleet. On the other hand there was no reason for us to stand off from the pursuit as long as there was a chance of laming one of the British ships. In justice to the latter it should be stated that they fulfilled their duty splendidly in drawing us towards their fleet. Slowly they had turned in a north-easterly course so that the wind, which had veered

to the south-west in the meantime, left the smoke of their funnels hanging over their line and thus obscured them. The visibility had in the meanwhile somewhat diminished. Owing to the difficulty of locating the exact positions of the British cruisers and their battle-fleet the British commander had not yet deployed his squadrons for the battle, and they were still formed in columns of six rows next to each other when the German main force met the advance guard of the British battle-fleet.

The engagement in pursuit (Diagram IV) was fought from 5.55 to 6.40, from the moment Beatty had made out the German battleships up to the

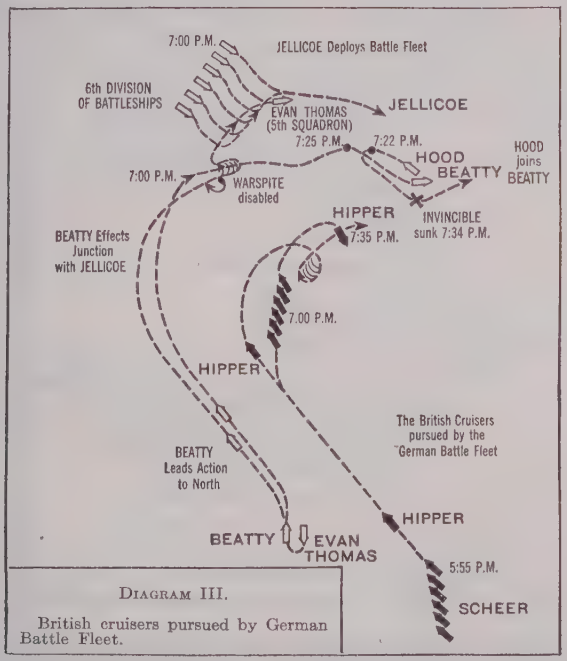


DIAGRAM III.

British cruisers pursued by German Battle Fleet.

time the latter were in sight of the British main fleet. The artillery fire was slow during this period, partly on account of the long distances, which Beatty maintained, partly on account of the decreasing visibility. For some time the artillery fire was silent altogether. Besides Beatty's battle-cruisers, eight armoured cruisers of the "Minotaur" type and three battle-cruisers of the "Invincible" type belonged to the British advance force. Admiral Hood on board the "Invincible" did not quite seem to grasp the situation when he sighted the light German cruisers, which stood near Hipper's ships. He opened fire on them at 6.55. At this time the light cruisers and torpedo-boats on both sides advanced to attack. It was here at 7.20 that our light cruiser, the "Wiesbaden," was put out of action and unable to move. Of these engagements, between Hood's battle-cruisers and our light cruisers nothing could be seen from the flagship "Friedrich der Grosse" between 6.55 and 7.10. To help the "Wiesbaden" the whole of the German fleet was now swung round two points. At this time two reports reached me pretty much at the same time — one from a torpedo-boat, the other from a light cruiser — saying that they had sighted over 20 battleships of the enemy steering south-easterly courses, the ship heading the line bearing due east. It was now clear we had encountered the whole British fleet.

Let us here take a short retrospective view of how things had gone up to this moment. The German fleet meets during an expedition in the North Sea, a British squadron of six battle-cruisers and some seven light cruisers. The German battle-cruisers soon come into action with them. Four of the most powerful of the British battleships of the line join the fight. The German cruisers steer a course which quickly leads them (the English battleships) towards the German battleships. On the British side two of the new battle-cruisers are sunk, only a very few of the crews being saved. In face of the approaching German battleship squadrons (16 modern ships of the line and six battleships of pre-Dreadnought type), the British force gives way to the north but keeps in touch at a distance rather beyond the range of the artillery. Soon they lead the pursuing German ships in an easterly course. After following these cruisers for about an hour and three quarters the German admiral considers whether or not it is now time to sever connection with the enemy and to prepare for the torpedo attacks of

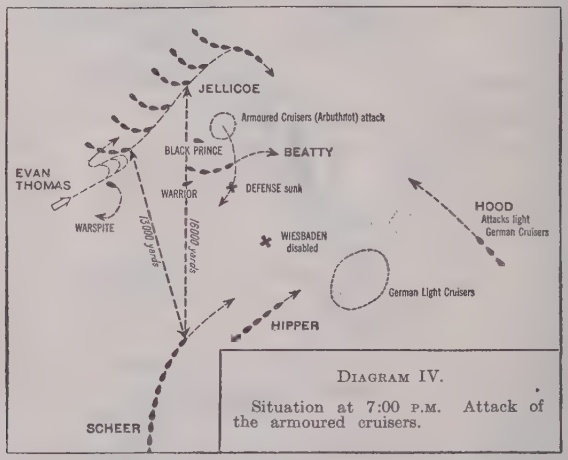


DIAGRAM IV.

Situation at 7:00 P.M. Attack of the armoured cruisers.

the coming night. At that very moment a new group of enemy ships seems to join the fight (Hood's battle-cruisers), and the "Wiesbaden" is disabled. The intention to sever connections with the enemy is for this reason deferred. The next reports make it likely that a large part of the enemy's main fleet must be in close proximity. There is not the slightest thought of avoiding a meeting with it and the fleet therefore remains running with highest speed on a north-easterly course. A few minutes later, at 7.10, in a large circle on the horizon between north and east the salvos of the British ships are visible. We find ourselves within their reach.

BRITISH MAIN FLEET IN ACTION

In judging from what is seen from the German flagship it is impossible to say whether a joint line is formed by the enemy or if what is seemingly a line consists of different groups of ships, working separately. In fact the head of the German line is surrounded by the enemy's fleet, so that the fifth and sixth British battleship squadrons as well as Hood's and Beatty's cruiser squadrons join their broadsides against the leading ships of the German line. At the same time, five further British divisions of battleships are occupied

in turning to the north-east so as to change the parallel columns in which they had steamed into the line of battle formed behind their left wing column. While the British main force is thus occupied in manœuvring, the armoured cruisers, led by Rear-Admiral Arbuthnot, press home an attack against the German light cruisers (Diagram V), some of his ships crossing the bows of Beatty's battle-cruisers. They thus find themselves between the fire of the German main force and the British fifth and sixth battleships. The "Defence," Arbuthnot's flagship, is sunk by the fire of the "Friedrich der Grosse," and the "Black Prince" receives heavy damage. This happens to the "Warrior"-also, which ship is left by its crew in a sinking condition. At this time Beatty presses hard on the leading German ships. At 7.10 he

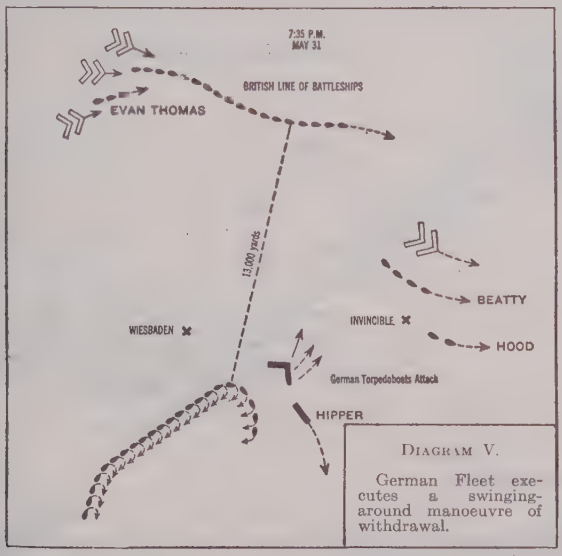


DIAGRAM V.

German Fleet executes a swinging-around manoeuvre of withdrawal.

sees the approach of the battle-cruisers commanded by Admiral Hood (three "Invincibles") steering north-west. He orders them to join his line forming themselves on a south-easterly course before his flagship, the "Lion." At 7.25 Hood closes with the German battle-cruisers within a distance of 8,000 yards; at 7.34 his flagship, "Invincible," is sunk.

It was in this short time that two British admirals, Hood and Arbuthnot, met their death by the destruction of their flagships. During this fight the "Warspite" of the British Fifth Battleship Squadron (Evan Thomas) was severely damaged and had to leave the line. The leading squadron of the German line had, as soon as it found itself under a concentrated fire covering eight German ships in this part of the battle, turned to starboard so as to bring the whole of its artillery to bear. I could myself see from the bridge the explosions of the enemy's shells on the hulls of the foremost ships. I had left the conning tower to be able to see more of what was going on. The "Friedrich der Grosse" was within the enemy's range, but received no direct hit.

A further turning of the German line, which was led by Vice-Admiral Behnke, the leader of the foremost squadron, would have brought us, at the moment the enemy was passing our turning point, into a luff position most disadvantageous for the artillery. The light of day was declining, the fumes

of the explosions and smoke from our funnels went driving towards the enemy and impeded the accuracy of our artillery, while the enemy was less hindered as he could see the silhouettes of our ships against the light western horizon. A disadvantageous issue of the battle seemed to be certain for us by going on in this way. So I decided to extricate the fleet from this position (Diagram VI).

The British main fleet had finished its deployment at 7.38 (Diagram VII). Our ships lay in a line strongly curved towards the south. A simultaneous

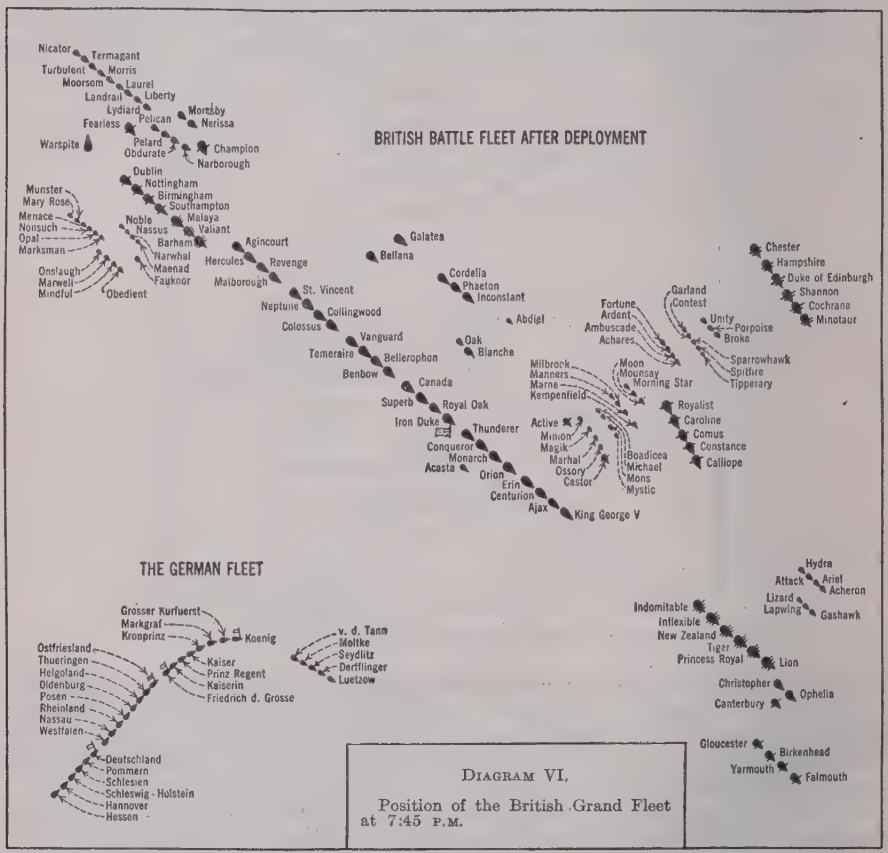


DIAGRAM VI.

Position of the British Grand Fleet at 7:45 P.M.

turning of all battleships in this position was a difficult manœuvre, which would call for the best skill of the captains of the fleet, especially considering the difficulty of getting through the necessary signals and the possibility of some ship being hampered in their manœuvres by damage. The turning itself was, however, performed by the fleet with the same accuracy as in peace, and gave me an absolute certainty of its reliability in coming eventualities.

The British fleet was, after this turning to the east, out of touch with us, and the artillery fire died away. As a result of the earlier turning away of the head of our line, our battle-cruisers were out of sight of my flagship. They were supposed to be standing between our line and the enemy's under heavy pressure. There was as yet no report that their fighting powers had been diminished.

THE GERMAN FLEET ATTACKS AGAIN

After the separation of the two main fighting forces, our cruisers steamed in sight of the flagship with a southerly course. The manœuvre of the fleet had extricated them from their difficult position. When our fleet had again straightened its line on a westerly course the question was what was now to be done. It was still too soon to break off the day's battle. It was, therefore, resolved to thwart the possible intentions of the enemy by another thrust and to begin the battle anew. At 7.55 the three battleship squadrons were again simultaneously thrown on an easterly course by a turn to starboard (Diagram VIII). The cruisers and torpedo-boats received the order to close in on the enemy and they threw themselves, backed by the ships of the line,

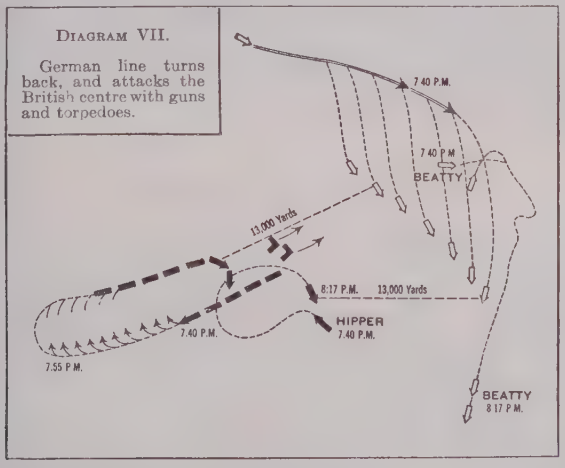


DIAGRAM VII.

German line turns back, and attacks the British centre with guns and torpedoes.

with highest speed in the direction where the enemy had passed out of sight. This thrust must have been unexpected by Admiral Jellicoe.

Although the artillery fire was soon resumed with the utmost vehemence the British did not venture to overcome the attack by artillery, but in the apprehension of possible torpedo hits turned away to the east. As the enemy's fleet was by this thrust shaken off again, and it was now 8.17 P.M., the German fleet turned for the third time so as to get out of touch with the enemy and to prepare for the further fights which were to be expected during the night and on the following day.

Regarding an attack against our battleships during the day by British torpedo-boats, so far nothing had come under my observation; on the other hand, our torpedo-boats had advanced to the attack both with the cruisers and with the battleships during the last thrust.

How successful these attacks were could not be ascertained. But later we learned that the battleship "Marlborough" had been hit and had arrived in England in a damaged condition. If one were inclined to think lightly of the efficiency of the torpedo craft, it must be taken into consideration that it was their attack which induced the enemy to break off the engagement and to give up his position so favourable for his artillery. Jellicoe had not found the time, by means of his 36 light cruisers and his torpedo-boats (as numerous as ours), to parry the thrust of our boats.

Up to now, battle luck had been on the German side. In the initial fight-

ing of the cruisers from 3.30 to 5.55 P.M. two powerful battle-cruisers had been sunk on the British side; on our side none. In the pursuit between 5.55 and 7.00 no loss was suffered on either side. When the British advance guard of the main fleet was met and shots were exchanged with the deploying British main fleet itself, one British battle-cruiser and three armoured cruisers were lost. Two battleships, "Warspite" and "Marlborough," were put out of action. When the German fleet performed its second thrust against the British line, which was in the meantime developed into a broad front, the enemy gave way to the pressure and lost both the tactical cohesion amongst its groups and touch with the enemy. On our side only the light cruiser "Wiesbaden" had been put out of action; the "Lützow," the flagship of the battle-cruisers, had been heavily damaged although still able to keep up its speed of 15 knots. Notwithstanding the gathering darkness I could, by my own sight, ascertain that all battleships and cruisers retained their places in the line and obeyed my signals. The satisfaction I felt at this moment at the enemy's inability to score was considerable, as one may imagine. The British, although superior in strength, well informed in all particulars regarding us, able to choose the most advantageous tactical position according to their cruisers' reports, had not been successful.

PLANS FOR THE NIGHT

What had to be thought of now was to guard against the enemy's torpedo craft during the night, to arrange the fleet for the best resistance against such attacks, to send our own torpedo-boats in search of the enemy, who had disappeared to the east, and to gain a position in which the continuance of the fight on the next day might be most favourable to us.

After the last turning the Second Squadron — six pre-Dreadnoughts — was in the lead. They were now sent to the rear of the line as were also those battle-cruisers which had suffered the most during the fight of several hours. The battleships of the line were all ready for immediate action, notwithstanding that the foremost ships had received numerous hits. The stores of ammunition were everywhere sufficient. The light cruisers which had stood between our own line and the enemy, who had disappeared in the east, were withdrawn to the starboard side during the night, in order not only to avoid mistakes in making out ships during that time, but also because the enemy's torpedo craft were expected from that side. It may be pointed out that of our ten light cruisers, although they had stood between the lines, none had been severely damaged; only the "Wiesbaden" had been lost. Of torpedo-boats we had lost five, two of them during the fight of the battle-cruisers, three in the course of the further fighting. Some of the torpedo-boats had fired nearly all their torpedoes so that they were of no use during the night. They followed the fleet. The others were to find and attack the British squadrons. Unfortunately they did not succeed in this. The reason was that the different groups searched the sectors between north-east and south, while Jellicoe's fleet had crossed the course of the German ships ten to fifteen miles ahead, and were by this time to the west of us. We were on a westerly course during the end of the battle; had arranged the fleet for the night to pursue a southerly course and had then changed to south south-east in order to gain Horn Reef light-ship (Sketch Map, p. 356). This place I held to be favourable to us for the continuance of the battle. It would enable us to profit tactically by the mobility of our units, by the difficulty in navigating among the shoals, and by the mine-fields near by.

A splendid opportunity for attack was offered to the British torpedo-boats

when their main fleet crossed our course, they being then in a protected position behind the columns of their battle-fleet; and again when we by chance steamed into their midst. Some fighting took place between British and German light cruisers during the night before our cruisers had attained their positions west of us. The British torpedo craft were successfully warded off by our battleships. The light cruiser "Rostock," in one of these attacks, was torpedoed and sank. The crew was saved by our torpedo-boats. Another of our light cruisers, the "Elbing," was rammed by the battleship "Posen," while trying to get out of its way. It also sank after the crew had been taken off. The light cruiser "Frauenlob" was torpedoed and sank with nearly all hands aboard. The British armoured cruiser "Black Prince" approached

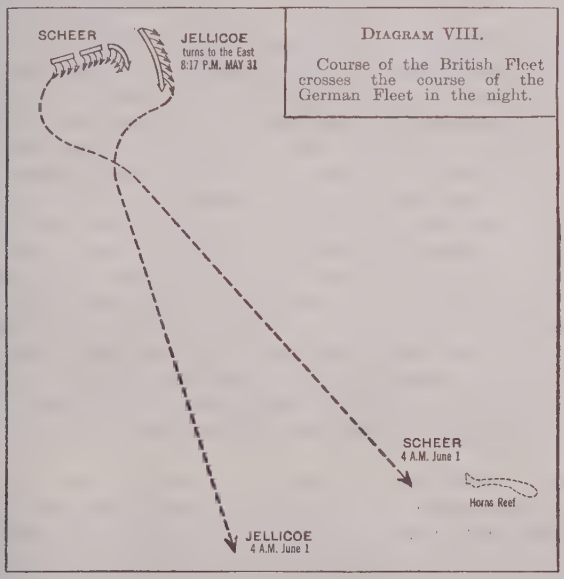


DIAGRAM VIII.

Course of the British Fleet crosses the course of the German Fleet in the night.

our line of ships at one o'clock at night. It came under a concentrated fire of three battleships and sank in a few minutes with a terrific explosion. At 4 A.M. when the British torpedo-boat attacks had ceased for some time, a renewed attack on the end of our line was successful. The pre-Dreadnought "Pommern" was hit by a torpedo and sank after an explosion. The battle-cruiser "Lützow" had not been able to master the masses of water which were filling its hull. It had to remain behind and was at last unable to move at all. The crew was therefore taken off and the ship was sunk by our own torpedoes. The news of this disaster only reached me after I had attained Horn Reef and had turned round to steam to her relief. Of the enemy fleet nothing was seen in broad daylight. To search for it seemed fruitless as it was foggy and the visibility was limited to 2,000 metres. So a return to Wilhelmshaven was decided on. Admiral Jellicoe states in his report that he witnessed the night attacks of his torpedo-boats and saw our starshells. It was therefore absolutely in his power to keep so well in touch with us as to be able to resume the battle, if he chose, the next morning at daylight. He decided not to take this course. His desire for attack cannot have been considerable.

THE RESULT OF THE BATTLE

Jellicoe did not win tactical successes in the battle of the day before, although conditions were decidedly more favourable to him than to us. The losses of ships and of men were, according to the reckoning of C. C. Gill, Commander, U. S. Navy, in his book *What Happened at Jutland*, on the British side: 111,980 ship-tons, 6,447 men dead or missing, 564 wounded; on the German side: 60,189 ship-tons, 2,400 men dead or missing, 400 wounded.

Comparing the number of capital ships which joined the fight on both sides, we find that 45 British ships stood against 27 German. The expectation of the British people, that its fleet would be able to beat easily and thoroughly any weaker adversary that ventured to fight it on the open sea, was sorely disappointed. On the other side, the German people were right in rejoicing over the success of their young fleet. The certainty that the German fleet was able to meet an enemy so famous for his former victories on sea and even superior in some respects, strengthened the self-reliance of officers and men in our navy. They felt that they possessed in their ships a force which could answer to any demands modern warfare on the water might raise. This was shown by the German fleet again proceeding to an offensive after repairs were finished on August 19, and the adopting of the idea of an expedition against Sunderland, which had been given up on May 31. Airships and U-boats joined this expedition. The Germans approached within 40 miles of the British coast but then turned south, because of a report from an airship, with the hope of drawing a British force into battle. That hope was not realised. Nor did the British fleet ever undertake an offensive of their own during the rest of the war, nor did it operate against the German coast, not even when a large part of the German fleet had been detached in the autumn of 1917 for the conquest of the Baltic islands so far east.

The strategic results of the victory of Jutland were: for the German fleet freedom of movement in the southern part of the North Sea; the fleet was able to protect up to the end of the war the U-boats when they left and returned to their base in the North Sea, and it was able to superintend the clearance of our waters from British mines; it prohibited these mines from being carried so close to the German ports as to bar the U-boats from troubling British trade. A victory on the British side at Skagerrack would not have left Germany the sea-power to hinder the Allies from helping Russia by sea, a fact which contributed largely to the breakdown of Russia itself. No assistance was given by the fleet in the protection of British trade against U-boats, of the necessity of which the English people were so firmly convinced. The fleet of Great Britain never seriously attempted to beat the Germans on the water with the intention of breaking the backbone of the U-boat raids. In some future time the enemies of England will take advantage of such deficiencies.

By the battle of Jutland, the prestige of the British navy suffered damage beyond repair, for it showed to the world that the daring and offensive spirit of former centuries had not been kept up.



From a painting by Burnell Poole, Approved by the U. S. Navy Department

The United States battleships "New York" the flagship of Admiral Rodman, the "Texas," the "Wyoming," the "Florida," and the "Delaware," which formed the Sixth Battle Squadron of the Grand Fleet during the World War.

CHAPTER XVI

MISTAKES AND ACHIEVEMENTS OF THE AMERICAN NAVY

By William S. Sims

Rear-Admiral, U. S. Navy. Admiral in Command of American Naval Operations in European Waters, April, 1917, to end of the World War. Formerly President of the Naval War College.

The intensive campaign against the German submarines in 1917–1918 was the "Crisis of the Naval War," and necessarily also the crisis of the World War, because neither troops nor supplies could have been transported in sufficient quantity to turn the scale unless the submarine problem had first been solved.

In telling the story of how the United States navy assisted in defeating the German submarine, mistakes will be related as well as triumphs, because the lessons learned from the former are vitally necessary to avoid similar mistakes in the future.

The proposition of the Imperial German Government, made on January 31, 1917, was one that no self-respecting nation could accept. It proposed that the United States surrender its right to free travel by sea: only such ships as were prescribed could sail, and they only when and where and how they were allowed by Germany. The United States was asked to accept so ignominious and undignified a surrender of rights and duties as to amount to giving up honour and self-respect. Like Belgium, the United States was asked to tear up international agreements. On March 16 and 17, 1917, violence was used; three American ships, homeward bound, were sunk. The President asked Congress to declare war, and the proclamation went forth on April 6, 1917.

THE SUBMARINE IN THE WORLD WAR

It was the use Germany made of the submarine that directly forced America into the war; and ample warning had been given that this type of ship would have to be fought. In fact, the account of American naval participation in the war is almost entirely the history of the fight against this new weapon. Yet the Government took not a single step to prepare for the type of war that must be waged, and for months after entering into the conflict the Government failed to recognise its true character or to combat intelligently the very menace which drove the United States into the war and which constituted its vital aspect.

The submarine campaign, after the American entry into the war, may be divided into three phases:

First, the period from February 1, 1917, to the end of July, 1917, when American aid was inconsiderable and when shipping was not being convoyed. Average losses, 640,000 tons per month.

Secondly, the period from August 1, 1917, to February 1, 1918, when there was a partial employment of the convoy system and moderate assistance from America. Losses, 390,000 tons per month.

Thirdly, the period from February 1, 1918, to the Armistice, when full coöperation was given by America, and consequently full use could be made of the convoy system. Losses, 250,000 tons per month.

The first period was the crisis of the submarine war. It was also the crisis of the land campaign.

As General Pershing clearly shows on page seven of his report to the Secretary of War, the primary consideration limiting the number of American troops that could be sent to France was that of tonnage. The tonnage losses of 1917 made it impossible at the time to transport any considerable American army and, at the same time, continue the absolutely essential military supplies and food for the civil populations of the Allied countries. It therefore became necessary to limit the number of American troops that could be sent abroad during the first year to an average of approximately 25,000 men per month. If the additional million and a half tons sunk unnecessarily in 1917 had been saved by prompt coöperation of the navy, the number of American soldiers sent to France could have been doubled or trebled. If the tonnage had been available, and the additional American troops had been sent to France, and the new drafts called more promptly, America could have had a million men in France by March, 1918, instead of 300,000.

Of the land situation General Pershing stated: "It can not be said that German hopes of final victory were extravagant." Russia was in the throes of a revolution and about to drop out of the war. The Allied countries were not self-supporting. They depended upon overseas imports for their very food. Reserves were sufficient for a month at the outside. Mr. Hoover said in his statement before the Senate investigating committee, "The situation was dangerous almost beyond description. . . . I cannot overemphasise the critical character of that position and the dangers in which the whole Allied cause rested. . . . It is obvious that the war would have come to an end almost in a moment if the supplies had been cut off." And the supplies were rapidly being cut off, as the following table shows:

Tonnage available to Allies, 1914 (American tonnage not included)	31,500,000
Total imports of Europe, 1914 (not including imports of Russia and Central Powers) (annually) in tons	170,000,000
Tonnage required for these imports	25,000,000

TONNAGE LOSSES

Allied net losses, August 1, 1914, to January 1, 1917	400,000
Net losses, first quarter, 1917	1,300,000
Net losses, April, 1917	800,000
Minimum imports required by Europe (annually) in tons	100,000,000
Tonnage required for these imports	18,000,000
Tonnage required for military and naval use (in addition to tonnage required for imports)	8,500,000
Absolute minimum of tonnage necessary to Allied cause	26,500,000
Tonnage available to Allies, January 1, 1917	31,100,000
Net losses January 1 to May 1, 1917	2,100,000
Tonnage not available because of damage or repairs	2,000,000
Net tonnage available to Allies May 1, 1917	27,000,000
(I) Average monthly tonnage losses February 1, 1917, to August 1, 1917	640,000
(II) Average monthly losses August 1, 1917, to February 1, 1918	390,000
(III) Average monthly losses February 1, 1918, to November 11, 1918	250,000

From the above figures it is clear that the absolute minimum of tonnage necessary to victory, 26,500,000, was barely covered by the amount available on May 1, 1917. There was a margin of but 500,000 tons, and *the average monthly losses were 640,000 tons!* It appeared as though the German estimate — which the British Intelligence Department had reliably learned — of the certain defeat of the Allies within two months, was a reasonable, not to say moderate, one. Such, then, was the desperate nature of the situation when America entered the war.

It may be well here to digress to point out the nature of the process whereby trained military men decide what is to be done when they are confronted by such a problem. The first step is to gather all available reliable information about the enemy and natural obstacles, and also about one's own forces and resources. The next step is to determine what is the object to be gained. Then all possible means are compared in the light of the advantages and disadvantages of each. The plan offering the most advantages and the fewest disadvantages in reaching the objective is then adopted. Such a systematic analysis promises, if not the best possible, at least a reasonably sound solution, and, at all events, the best attainable one under the existing conditions.

THE NAVY DEPARTMENT AND THE SUBMARINE PERIL

This process was systematically employed by the staff of the American Naval Headquarters in London. The results proved so correct that it is possible to use extracts from the first cable to the Navy Department, April, 1917, to describe the situation and also the steps that were eventually taken after distressing and perilous delays. Of the situation this cable stated (see pages 30–34, Hearings of the Senate Naval Investigation):

"Supplies and communications of forces on all fronts, including the Russian, are threatened, and control of the sea actually imperilled.

"German submarines are constantly extending their operations further into the Atlantic, increasing areas and the difficulty of patrolling. Russian situation critical. Baltic fleet mutiny; 85 admirals, captains, and commanders murdered, and in some armies there is insubordination."

Of the enemy's and Allied forces it said:

"On account of the immense theatres and length and number of kinds of communication and the material deterioration resulting from three years' continuous operation in distant fields with inadequate base facilities, the strength of the naval forces is dangerously strained. This applies to all of the sea forces outside the Grand Fleet. The enemy has 6 large and 64 small submarine mine-layers; the latter carry 18 mines; the former 34, also torpedoes and guns. All classes submarines for actual commission completed at a rate approaching three per week. To accelerate and insure defeat of submarine campaign immediate active coöperation absolutely necessary."

The last sentence represents America's prime object, or, as military men call it, America's "mission."

The plan proposed was outlined as follows:

"The issue is and must inevitably be decided at the focus of all lines of communication in the eastern Atlantic; therefore I very urgently recommend the following immediate naval coöperation:

"Maximum number of destroyers to be sent accompanied by small anti-submarine craft, former to patrol designated high-sea area westward of Ireland based on Queenstown with an advance base at Bantry Bay, latter to be an inshore patrol force. Destroyers, small craft, should be of light draft with as high speed as possible, but low speed also useful. Also repair ships and staff for base. . . .

"The chief other and urgent practical coöperation is merchant tonnage and a continuous augmentation of anti-submarine craft to reinforce our advanced forces. There is a serious shortage of the latter craft. For towing the present large amount of sailing tonnage [in] dangerous areas sea-going tugs would be of great use. . . ."

The cable included also this accurate forecast of the enemy's probable intentions:

"It is very likely the enemy will make submarine mine-laying raids on our coast or in the Caribbean to divert attention and keep our forces from the critical area in the eastern Atlantic through effect upon public opinion."

This cablegram was a mere skeleton outline of the letter sent the next day. In the latter will be found recommended the means whereby the submarine could be defeated. There were no brilliant inventions listed, such as the Navy Department counted upon for spectacular results. There was no time to be wasted waiting for such devices. The Germans were rapidly winning the war. Fine schemes would be of no use after defeat. The only possible motto was "Let's get on with the war"; and whatever weapons lay at hand were used in a coöperation with the Allied navies so cordial and wholehearted on both sides as to be practically without precedent in the history of warfare. In order to render the maximum assistance, the relatively small American naval forces, instead of being operated as a national unit, were employed as reserves when and where, after discussion in the Allied Naval Council, it was decided they could render the most effective service to the common cause.

Some amateur strategists, eminent statesmen among them, wanted to know why we did not "dig the rats out of their holes" or "go after the hornet's nest." This advice was of course thoroughly sound in principle, but wholly impossible of execution.

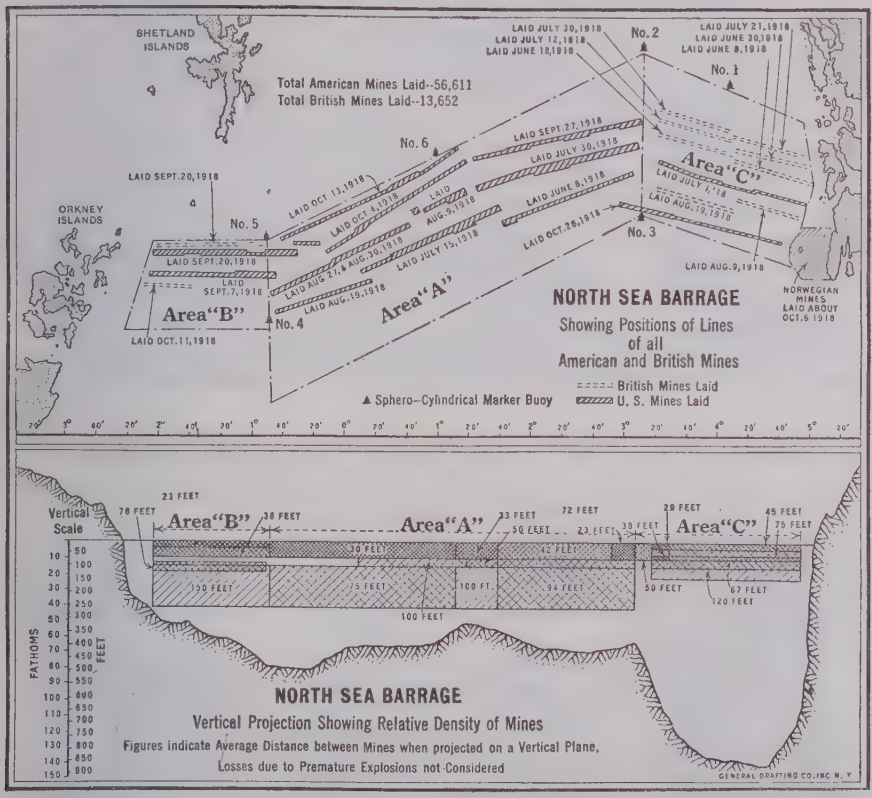
The question was thoroughly discussed before the Allied Naval Council, and Admiral Mayo, who was on a visit to Europe at the time, reported to the Navy Department: "Consider full examination of difficulties will show impossibility of success."

DEFENSIVE MEASURES AGAINST THE PERIL

Immediate, energetic, and practical steps were imperatively demanded. To build more merchant ships than the Germans could destroy was an obvious, but slow and costly programme. Purely protective measures, such as dazzle-painting, made it difficult for a submarine commander to distinguish the type, course, and speed of a vessel, hence making marksmanship with torpedoes inaccurate. Arming merchant ships forced the submarine to rely upon her torpedoes, of which only a few could be carried, thereby reducing the length of time they could operate at sea. Zigzagging at high speed was another protective device, of great value for speedy war-vessels and liners, but of less value for slow merchant ships.

The mine-barrage across the North Sea was at first impracticable because the right type of mine to make it effective in time was not available until November, 1917. Previous to that time 750,000 mines of any type then available would have been necessary to create the barrage 280 miles long, and the combined available resources of the Allies could not have constructed and planted them in less than two years, even if they could have spared the tonnage for the large number of mine-layers and other vessels that would have been required for such a colossal undertaking.

The invention in America of the antenna mine alone made it possible to construct a barrage in time to be of any benefit, because it required only about 100,000 of these mines. As a result of this invention, the work of constructing the mines and fitting out the necessary mine-layers was undertaken with all possible energy. Bases were established in Scotland, and the mines were sent over and planted, with the assistance of the British, with unprecedented rapidity. It was a stupendous undertaking, and would



"BY PERMISSION OF THE U. S. NAVY."

doubtless have been of great value if the necessary mine had been invented in time to complete the barrier about a year earlier. However, though the submarine campaign was well in hand before the barrage was completed, the destruction of shipping having by that time been reduced by the convoy system below the rapidly increasing rate of construction, still the barrage proved of considerable value. It is believed that it accounted for at least six submarines, and doubtless exercised a considerable influence upon the *morale* of the German submarine crews from the time the mines began to be planted.

These defensive measures, therefore, were only of auxiliary value. It was necessary to attack and defeat the enemy that was rapidly cutting communications and winning the war. Hence anti-submarine craft armed with guns and depth-charges were imperatively required. But these, even if the United States had had them, could not have sunk submarines unless

they could have caught them. Here was where the offensive value of the apparently defensive convoy system came in. We could not successfully "chase hornets all over the farm," and we could not "destroy their nests." But we could lie in wait for them where they were forced to go. In order to win the war the submarines had to sink a sufficient number of merchant ships. Sailing all ships in convoys escorted by destroyers would force submarines to expose themselves to the attack of the latter in order to get within striking distance of the former. Such was the plan. It appeared to the American Naval Headquarters in London to be the only possible immediate solution whereby the German attack on Allied lines of communication could be frustrated *in time*. All other practical measures were also to be used, no matter what was the opinion of their relative value, because everything that might contribute to the defeat of the submarine had to do its share. But the convoy system promised the greatest immediate results. It eventually reduced the losses to one-half of one per cent of the vessels thus escorted. The anti-submarine craft, too small or too slow to operate with convoys, were to be based near where trade routes converged and where, therefore, submarines would find the best hunting-grounds for unprotected merchant ships. The following extracts are from the first letter of April, 1917, from London Headquarters to the Navy Department referring to this vitally important matter.

"The evidence is conclusive that, regardless of any enemy diversions such as raids on our coasts or elsewhere, the critical area in which the war's decision will be made is in the eastern Atlantic at the focus of all lines of communications. . . . The main submarine effort must continue to be concentrated in the above critical area. . . . They are forced to cover all the possible trade routes of approach between the north of Scotland and Ushant. . . . It is apparent that the enemy could not disperse his main submarine campaign into other quarters of the globe without diminishing results in this and all areas to a degree which would mean failure to accomplish the mission of the submarine campaign, which can be nothing else than a final decision of the war. . . .

"One of the principal demands is for convoys of merchant shipping and more definite and real protection within the war zone. . . . The answer, which manifestly is not publicly known, is simply that the necessary vessels are not available, and further that those which are available are suffering from the effects of three years of arduous service. . . ."

ATTITUDE OF THE NAVY DEPARTMENT REGARDING CONVOY SYSTEM

And yet, although advised on April 17 of the advantages of the convoy, although informed on April 30 that the Admiralty was studying the method, although urged to adopt it on May 1, and although informed on May 21 that the Admiralty had adopted it and needed American assistance to put it in operation, still on June 20 the Navy Department replied in a cable ending in these words: "In regard to convoy, I consider that American vessels having armed guards are safer when sailing independently."

The American Naval Headquarters in London never found any reason to change in any essential the views or plans set forth above. From first to last they urgently requested the adoption of the convoy, and the immediate sending of the necessary vessels to carry it out. But, as stated in the official letter of the writer, January 7, 1920, to the Secretary of the Navy, on the subject of naval lessons of the Great War (pages 1 to 10 *Naval Investigation Hearings*):

"In spite of the numerous messages sent in April, the only information received up to April 27, 1917, was that six destroyers only would be sent. The situation was then so very critical that London Headquarters appealed to the American Ambassador in London, who sent a most urgent message to the President, and on May 3, 1917, the first definite information was received of the department's intention to send more than six destroyers — that ultimately 36 and two repair ships would be sent."



© *Kadel & Herbert*

This remarkable photograph, taken from a naval aeroplane, shows eight U. S. destroyers proceeding in formation and throwing out a smoke screen to conceal the presence of the Battle-fleet.



© *Underwood & Underwood*

On board the U. S. battleship "New York" on the occasion of the surrender of the German fleet — the greatest naval surrender in all history. Left to right: Admiral Sir David Beatty, Admiral Rodman, H. M. the King, H. R. H. the Prince of Wales, and Admiral Sims.

Such, at the very crisis of the war, after the most energetic — even extraordinary — appeals, was the pitifully inadequate response of a mighty Power when the fate of the world hung in the balance! This attitude in no sense represented the will of the American people, but the absolute negation of that will which was to throw the nation's whole strength into the war. It was the result of a wholly mistaken and wholly unpardonable conception of strategy on the part of the United States Navy Department. For those who dictated its policy Mahan had written in vain. Here is an abstract from a cable received from the Secretary of the Navy as late as *July* 24, 1917:

"The department recognises . . . the necessity of sending all anti-submarine craft *which can be spared from the home waters*[1] into active European waters, and when such craft become available will send them. In making the local assignments abroad of such forces, the department requests and will be guided by your advice, which should be given after consultation with the various Admiralties concerned as a priority of requirements.

"The department is strongly of the opinion — based on recent experiences — that the question of supplying adequate guns and trained gun crews to merchant ships is one which can in no wise be treated as a minor issue. Coupled with a rigid system of inspection, this method is believed to constitute one of the most effective defensive submarine measures."

This policy made paramount a passive defence in home waters where no attack had been made, or could be made without ample warning, and offensive action at the decisive point a secondary matter! Later, after the United States had abandoned this policy, Germany made desperate efforts to induce her to resume it by making submarine raids on her coast in the hope that she would withdraw some of her anti-submarine forces from the vital area where alone Germany could be defeated.

DESPERATE SITUATION FULLY EXPLAINED

Again on June 25, 1917, the American Naval Headquarters in London wrote to Mr. Page explaining the desperate nature of the situation. The following are extracts from that letter:

"Queenstown, June 25, 1917.

"My dear Ambassador: I consider it my duty to send you herewith for your information copies of a letter and certain messages which are typical of what I have been sending to the Navy Department.

"You will see from the department's only reply, dated June 20, that I am not having any success in getting more vessels sent over into the critical area here.

"All of the material assistance being organised by our Government will be futile if we do not take immediate steps to insure safe passage of such essential supplies through the submarine zone — that is, through the enemy's lines. . . .

"It remains a fact that at present the enemy is succeeding and we are failing. Ships are being sunk faster than they can be replaced by the building facilities of the world. This simply means that the enemy is winning the war. There is no mystery about that. The submarines are rapidly cutting the Allies' lines of communication. When they are cut, or sufficiently interfered with, we must accept the enemy's terms.

"It is a poor plan, indeed, that does not involve attacking the enemy's war craft or forcing them to attack ours. . . .

"The fact must be thoroughly realised that the war is being, and must continue to be, fought exclusively on this side of the Atlantic, and that it will be won by us, or lost, within the next few months.

"It can not be won by any accumulation of naval forces on our coast lines or in any other areas except those in which the war is being fought, and must continue to be fought.

"It must be lost, or very unsatisfactorily terminated, if there is not an immediate and sufficient accumulation of anti-submarine forces here in the critical areas. This for the simple reason that, if the shipping losses continue at the present rate, the Allies can not win. Sims."

[1] Italics here and elsewhere are by the Author.

Mr. Page, who was a man of common sense — and the conduct of war consists largely in the exercise of just that quality — concurred entirely as his forceful letter to President Wilson shows:

"Whatever help the United States may render at any time in the future or in any theatre of the war, our help is now more seriously needed in this submarine area for the sake of all the Allies than it can ever be needed again, or anywhere else. After talking over this critical situation with the Prime Minister and other members of the Government, I can not refrain from most strongly recommending the immediate sending over of every destroyer and all other craft that can be of anti-submarine use. This seems to me the sharpest crisis of the war and the most dangerous situation for the Allies that has arisen or could arise. If enough submarines can be destroyed in the next two or three months, the war will be won, *and if we can contribute effective help immediately it will be won directly by our aid.* I can not exaggerate the pressing and increasing danger of this situation. Thirty or more destroyers and other similar craft sent by us immediately would very likely be decisive. There is no time to be lost. PAGE."

Whether or not this letter was decisive, it certainly marked the beginning of a new attitude on the part of the Navy Department toward the naval war. But it was only a beginning.

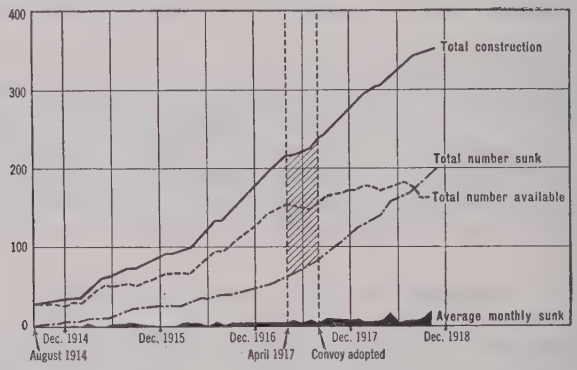


DIAGRAM ILLUSTRATING GRAPHICALLY THE CRISIS OF THE SUBMARINE CAMPAIGN

It shows how the curve of the total of German submarines available begins to lose its upward tendency after the entry of the United States into the war.

Note the increased upward curve in the line indicating the number of submarines sunk, and the increased monthly average of submarines sunk, after the convoy system was adopted and American aid became whole-hearted and effective.

For the first time the Navy Department, on July 10, 1917, actually defined its policy with respect to the conduct of the war. But it defined it in these words which indicate that its emphasis on a passive defence in home waters, which were not and had not been threatened, was still paramount:

"From: Secretary of Navy. To: Vice Admiral Sims, U.S.S. Melville. Received: July 10, 1917.

"The following letter from the Secretary to the Secretary of State is quoted for your information and guidance as an index of the policy of the department in relation to coöperation of our naval forces with those of our Allies: 'After careful consideration of the present naval situation, taken in connection with possible future situations which might arise, the Navy Department is prepared to announce as its policy, in so far as it relates to the Allies: First, the most hearty coöperation with the Allies to meet the present submarine situation in European or other waters *compatible with an adequate defence of our own home waters.* Second, the most hearty coöperation with the Allies to meet any future situation arising during the present war. Third, the realisation that

while a successful termination of the present war must always be the first Allied aim and will probably result in diminished tension throughout the world, *the future position of the United States must in no way be jeopardised by any disintegration of our main fighting fleet.* Fourth, the conception that the present main military rôle of the United States naval force lies in its safeguarding the line of communications of the Allies'."

The first point means that, notwithstanding that the ability of the armies in France to continue the war depended upon the Allied navies' maintaining the safe transport of troops, ammunition and other supplies, including their very food, as the fourth point clearly recognises, the declared policy of our Government was to retain on the coast of the United States a considerable number of destroyers and other anti-submarine craft for defence in case the Germans should attempt to create a diversion on the western side of the Atlantic.

CONVOY SYSTEM AT LAST APPROVED BY NAVY DEPARTMENT

After a seemingly interminable and almost fatal delay, the convoy system was finally approved by the Navy Department and more officers, men, destroyers and patrol craft were sent over into the area of actual war operations.

The advantages of the convoy principle as a protection against submarine attack were of course recognised from the beginning of the war, and it was continuously used to safeguard troop transports. There were two obstacles in the way of its adoption for merchant shipping, one insurmountable at the time, the other due to a mistaken opinion. The former was the lack, until after 1917, of sufficient destroyers and other vessels for escorting convoys, and the latter was the opinion of merchant skippers that they could not manœuvre a miscellaneous collection of merchant vessels in the close formation that was necessary to enable escorting destroyers to ward off submarine attacks. This lack of confidence was due to an entire lack of experience in handling vessels in compact groups, but it was proved by the first trial to be wholly unjustified. London Headquarters believed in the practicability of the plan and always advocated the adoption of the convoy as soon as the necessary vessels should become available.

After a little experience the merchant marine officers handled safely their ships, even when there were as many as 30 in a convoy, in close formation, at 500-yard intervals, at night, without lights, zigzagging simultaneously like a school of fish. Their skill cannot be too highly appreciated. For their courageous and skilful performance of a nerve-racking duty the world owes them a debt that can never be paid. Some were torpedoed repeatedly, only to come back each time to take another — perhaps a last — chance. Accepting all the risks and having none of the rewards of a naval officer, they made possible the convoy system which made certain the defeat of the submarine.

When these methods began to be effective the Germans commenced to send a few submarines into American waters in an effort to induce the United States to withdraw some of the anti-submarine forces to our coast, exactly as London Headquarters had foreseen. But so successful were the Allies' methods of keeping track of the submarines — how this was done affords an unparallelled story of ingenious secret-service work — that London Headquarters was able to warn Washington whenever German submarines were started on their way, and if necessary could have sent de-

stroyers from European waters to cross the Atlantic and be waiting to deal with them upon their arrival. But by that time the Government was not so ready to play the German game and disperse the American forces; and the German effort to accomplish that result merely resulted in a dispersion of German submarines which was to the Allied advantage. The American public was calm and made no attempt to influence strategy.

The record of the convoy work and the work of the anti-submarine craft is the story of the naval war to the end, except for the part played by the mine barrage, the naval air forces operating against the submarines from their sea-coast stations, and the division of battleships that reinforced the Grand Fleet. And, although they did not operate directly against the enemy submarines, mention should be made of the admirable services of the naval 14-inch guns on railway carriages in bombarding German positions on the western front, and the gallant and always efficient marines who added to their laurels at Belleau Wood and Château-Thierry.

THE MORALE OF THE AMERICAN NAVY

One of the greatest forces making for success in war is the *morale* of those actually engaged in the fighting. This depends chiefly upon their confidence in their leadership — their belief in the soundness of the measures taken to support them and to defeat the enemy. It would be difficult for the layman to imagine the depressing effect upon the naval personnel at the front when it became known, soon after the entry of the United States into the war, that the Government was retaining on its own coast the destroyers, battleships and personnel so urgently requested by the Allies and so urgently needed in the war zone and, more depressing still, that it was resisting the adoption of the convoy! That under such conditions the American naval forces maintained throughout their *morale* and devotedly performed their arduous duties is a record of which the United States may well be proud. Only a miracle of energy, patriotism, and sacrifice enabled the naval personnel in contact with the enemy to do their full share in getting by the crisis; and once the convoy was in operation they materially assisted in doing what the Germans declared could not be done — in escorting to France, with very small loss, 2,000,000 men and the merchant vessels carrying their essential supplies and the food required for the Allied countries.

It would be a pleasure specifically to record the services of the naval forces operating from the American bases established in Europe, and in the various areas, and the names of the many officers responsible for their efficiency, both those who directed important forces from shore bases and those who carried out the operations at sea. The writer has recorded these elsewhere in his *Victory at Sea,* but as space does not permit a repetition of them here, let it suffice to say that all honour is due both officers and men for the admirable energy, nautical skill and unfailing courage they maintained during the long and discouraging uphill fight while gradually diminishing the effectiveness of an able and elusive enemy whose tactics was to avoid combat with naval vessels and win victory by destroying the shipping carrying essential supplies. By the end of the war there were 373 vessels of various classes, and 5,000 officers and 75,000 men in the U. S. naval forces operating in European waters.

Needless to say, the necessary expansion of our naval personnel to ten times its peace strength resulted in a navy largely composed of untrained men; but, regardless of this lack of training, these fine young men displayed an energy, enthusiasm, adaptability, and resourcefulness beyond all praise.

Substituting zeal for experience, common sense for technical knowledge, and initiative for training, they accepted the hardships, dangers, and drudgery of the campaign with the sporting spirit of the American youth — the spirit of the young sailor who asked "Where do we go from here, bullies?" upon finding himself in the sea after his ship was torpedoed.

COMPLETE COÖPERATION OF THE NAVY DEPARTMENT

By February 1, 1918, the coöperation of the Navy Department was whole-hearted and complete. Merchant ships were being built to replace the lost tonnage. New destroyers for convoy work, eagle-boats and submarine-chasers were being delivered and put into operation. The tonnage sunk by submarines steadily decreased in volume until the end of the war.

What the public does not understand is that the United States Navy Department was organised for administration in time of peace. Had it been organised for the conduct of war, and had the chief advisers of the Secretary been selected from those trained by the study of warfare, all possible plans and preparations would automatically have been made long before the war — preparations in material, personnel, *morale,* training, discipline and leadership. Instead, the department had no plans or preparation corresponding to the kind of war that, as should have been apparent, had to be fought. The department began with unsound principles of organisation, command, and strategy. The very fact that after months of opposition the department finally adopted the policies and methods that brought success showed that the initial attitude was indefensible.

In justice to many splendid officers, it should be emphatically stated that they understood the nature of the war and the principles that should have governed its conduct, but unfortunately their advice was not accepted. Some even had been trying for many years to bring about a sound military organisation of the department.

While the American people should always be profoundly grateful that the United States was able finally to render vital assistance to the cause of the Allies, still it should never be forgotten that had those who controlled the naval effort of the United States been trained in the requirements of modern war, and had they acted upon correct military principles from the first, as they did later, there can be no doubt that the war would have ended much sooner with all that that implies.

CHAPTER XVII

GOVERNMENT BY PROPAGANDA

By Bertrand A. W. Russell

Late Fellow and late Lecturer, Trinity College, Cambridge.
Author of *Problems of Philosophy; Principles of Social Reconstruction; Prospects of Industrial Civilisation.*

Government propaganda is no new thing. Herodotus was in the pay of the Athenian State, which accounts for the fact that Athens comes out of his history with so much glory. In the wars of the Guelphs and Ghibellines, the victory of the former was due to the fact that the Pope, through the medium of the friars, outdid the Emperor in the organisation of official propaganda. At the time of the Spanish Armada, both Philip II and Elizabeth organised their propaganda in quite a modern way. Philip II's activities in this line are exemplified by Cardinal Allen's *Admonition to the Nobility and People of England and Ireland*, accusing Queen Elizabeth of every imaginable vice (quoted in Frederick Chamberlin's *Private Character of Queen Elizabeth*). The British popular horror of the Spanish Inquisition no doubt is derived from English Government propaganda during Elizabeth's reign. Historians and literary men have always taken part in this work; *Henry VIII* is propaganda for Elizabeth, and *Macbeth* for James I, who appears as a descendant of Banquo wearing a triple crown.

But it is only in recent years that Governments, and even single departments, have instituted regularly organised propaganda bureaus, for the purpose of giving publicity to their own virtues and to the vices of their opponents. Before the World War, there was still a certain subtlety in the methods employed. For example, after the Anglo-Russian Agreement of 1907, most English newspapers ceased to mention instances of Tsarist oppression, London was afforded an opportunity of growing enthusiastic over the Russian ballet, and translations of Russian literature had no difficulty in finding publishers. At the same time the Kaiser was posing as almost a Mahommedan in Turkey and throughout the Near East. But with the outbreak of the World War the methods practised became more direct. The Germans, in this as in other matters, were better prepared; they began at once to publish accounts and professed photographs of Russian atrocities in East Prussia. The German official reply to the Bryce report subsequently complained that these photographs (with the titles changed) had been plagiarised and published by the Allies, as illustrating German atrocities in Belgium. Whether there was any truth in this charge we do not know. In any case, Allied propaganda, through British control of the cables, secured wider publicity than that of Germany, and achieved a notable success in winning the sympathy, and ultimately the coöperation of the United States. In neutral countries both groups of belligerents subsidised newspapers to present their case under the guise of impartiality, but outside Europe the Central Empires had much more difficulty than the *Entente* in carrying through this policy.



© *Keystone View Co.*

This picture painted by the German naval artist Klamroth shortly after Bulgaria entered the war in 1915 was designed to arouse the indignation by showing British warships bombarding the narrow strip of coast on the Aegean Sea which Bulgaria then held.



Courtesy of the Century Co.

Raemaker's famous cartoon called "Les Assassins." According to Mr. Bertrand Russell, author of the chapter on *Propaganda*, cartoons of this character were exploited by various Governments to keep up the *morale* of the civil population.

The methods adopted by the different Governments were closely analogous, but the British Government, perhaps through its long experience of democracy, was, on the whole, more successful than the Continental belligerents in bringing doubters to its side and increasing the enthusiasm of the converted.

Sir Gilbert Parker, who took a prominent part in propaganda in America while that country was still neutral, explained his methods in *Harper's Magazine* (March, 1917):

"We supplied three hundred and sixty newspapers in the smaller states of the United States with an English newspaper which gave a weekly review and comment on the affairs of the war. We established connection with the man in the street through cinema pictures of the army and navy, as well as through interviews, articles, pamphlets, etc., and by letters in reply to individual American critics, which were printed in the chief newspaper in the State in which they lived, and were copied in newspapers of the other and neighbouring States. We advised and stimulated many people to write articles; we utilised the friendly services and assistance of confidential friends; we had reports from important Americans constantly, and established association by personal correspondence with influential and eminent people of every profession in the United States, beginning with university and college professors, and scientific men, and running through all the ranges of the population. We asked our friends and correspondents to arrange for speeches, debates, and lectures by American citizens, but we did not encourage Britishers to go to America and preach the doctrine of entrance into the war."

After America's entry into the war, British propaganda, under the direction of Lord Northcliffe, was able to adopt more direct and ambitious methods. In all other countries, also, propaganda suited to their conditions was organised. Numbers of able men and women, of all shades of opinion, were employed to present the British case to different nations and to different sections. Any fact which had a propaganda value was seized upon, not always with a strict regard for truth. For example, world-wide publicity was given to the statement that the Germans boiled down human corpses in order to extract from them gelatine and other useful substances. This story was widely used in China when that country's participation was desired, because it was hoped that it would shock the well-known Chinese reverence for the bodies of the dead. The story was derived from the fact that the Germans had a *Kadaververwertungsanstalt, i.e.,* "establishment for the utilisation of *carcases.*" The story was set going cynically, by one of the employees in the British propaganda department, a man with a good knowledge of German, perfectly aware that "Kadaver" means "carcase," not "corpse," but aware also that, with the Allied command of the means of publicity, the misrepresentation could be made to "go down."

Meanwhile the same kind of thing was being done in Germany, to stimulate the hatred of the Allies. The present writer possesses a pamphlet by a well-known German pacifist, Dr. Gumbel, called *Vier Jahre Lüge* (Four years of lying). In this pamphlet German war-propaganda is exposed. It appears that the German people did not know till 1918 that the battle of the Marne was a victory for the Allies. In the matter of Russian atrocities, the Press was officially warned not to throw doubt upon any that were mentioned as genuine in the German White Book on the subject. For example, on February 9, 1917, the Press were cautioned against mentioning that a certain working woman, who had asserted that her pregnancy was the result of rape by a Russian soldier, had subsequently stated on oath that her child had a different origin. The German Government completely deceived the

German nation as to the effectiveness of the U-boats, and denied that the Americans were succeeding in landing their troops in France. Under these circumstances it was impossible for Germans who had no access to secret information to form any idea of the true state of affairs.

With the end of the war, a new propaganda contest began — the propaganda of the Bolsheviks on the one hand and the rest of the world on the other. Although actual fighting played a not inconsiderable part in the conflict, propaganda was the most important weapon on both sides, and was developed to a greater extent even than during the war. The result was that Russia and the rest of the world became completely ignorant of the true facts about each other, which were replaced in their imaginations by fantastic and melodramatic illusions. One small personal experience will illustrate this. The present writer was in Russia in 1920, in company with a Labour Delegation, who were received as other Governments receive princes, and were everywhere fêted. On returning from Russia, we found it universally believed, even by British Consuls in capitals near Russia, that we had all been put in prison. In Russia, meanwhile, the rank and file of the Communist party — though not of course the leaders — believed that the Social Revolution was imminent throughout Europe, and would, when it came, immediately improve the economic condition of Russia.

The Bolsheviks, having achieved power solely by means of propaganda, developed this method with extraordinary skill. They sent "propaganda trains" along the railways into the country districts to educate the peasants. They used the army as a training-ground for Communists. They induced parents in towns — through the difficulty of obtaining milk and other necessaries — to send their children to Government institutions, where, by the age of six, they were proficient in the Communist creed. The French fleet in the Black Sea and the British soldiers in Archangel and Murmansk were so much influenced by Bolshevik propaganda that the former mutinied and the latter could not be relied upon to fight. To the whole of Central Asia the Bolsheviks proclaimed the doctrine of self-determination; by this means (together with other factors) they robbed the British of the fruits of victory, in whole or part, in the vast region from Afghanistan to Constantinople, caused uneasiness to the Government of India, and stole a march on the Japanese in Mongolia. The influence of Bolshevik propaganda on Asiatic intellectuals is exemplified in a curious book called *The Futurism of Young Asia*, by Benoy Kumar Sarkar, Professor, National Council of Education, Bengal; Berlin, 1922. This book is in English, though published in Germany. The cessation of Bolshevik propaganda has always been the principal demand of the British Government in negotiations concerning trade relations.

Meanwhile the British and all other western Governments have retorted by anti-Bolshevik propaganda at least as effective and mendacious as that of the Soviet Government. The story of the nationalisation of women in Russia is probably still believed by most well-to-do people in the west, although every well-informed person knows it to be baseless. The British Government once distributed in Russia and neighbouring ports, by the help of the Admiralty, an issue of *Pravda* (the Russian official organ), which turned out to have been forged by the White Russians. This issue, by an oversight, bore a London imprint, which Scotland Yard cut off from most copies, but a few slipped through unmutilated. When the present writer returned from Russia, he found his friends, almost without exception, unwilling to believe his statements as to matters which he had personally observed. Those who accepted British Government propaganda would not believe that the streets of Moscow were orderly, and more free from ordinary crime than any western capital. Those who sympathised with the Bolsheviks

would not believe that the population lived under a police reign of terror, or that espionage and delation were carried to lengths previously unknown. This attitude was a reaction against propaganda: those who had realised that the Soviet Government was not as black as it was painted assumed that it was wholly virtuous, forgetting that that is not the nature of Governments or indeed of human beings. A reaction of this kind was inevitable in view of the known anxiety of the western Governments to prevent accurate knowledge about Russia. For example, Professor Goode, a disinterested inquirer, went to Russia expecting to think ill of the Bolsheviks, but came to think well of them. For this crime he was arrested by the British on his arrival in Reval; his papers were confiscated, and after he had been nominally set free he was kidnapped by the British naval authorities in Reval and detained on board British warships in the Baltic for a considerable period.

The telegraph agencies are largely conducted in the interests of one or more Governments. Every politically well-informed traveller who has been in the Far East has been able to see for himself that a certain very well known agency is strongly pro-Japanese. Instances of this have been mentioned repeatedly in the *Japan Chronicle*. When the Japanese Crown Prince was in England, he gave Japanese decorations to a very small number of men; among them was the British head of this agency. The Russians have telegraph agencies in the Far East to present facts from their point of view; the Chinese have none, so that the world outside China has always the view of Chinese occurrences which suits the enemies of China.

Broadcasting is a powerful method, not yet fully developed. During the County Council Elections in London in November, 1922, the official wireless advised people to vote for the Government party. It was subsequently said that this was a mistake; but it was not rectified by a corresponding mistake on the other side.

Undoubtedly the cinema, or "movies," will be, until some newer invention supersedes it, the most potent of all means of propaganda, because it is frequented by people who are too frivolous to read politics in newspapers, and because it lends itself to insidious methods. It was largely used in the United States to prepare American participation in the war, for example by suggesting a Mexican invasion organised and financed by Germany. (Such a suggestion had to be confined to a thoughtless public.) It was used during the war to concoct atrocity-films, which did much to stimulate the universal mutual hatred. The topical gazette which, in most picture-theatres, gives representations of certain recent events, is of course admirable for propaganda. Grave writers on political theory seldom mention the cinema, because there is nothing about it in Aristotle or Montesquieu; but it is one of the most powerful political forces of our day, and its influence is on the increase.

Propaganda is not confined to international matters. Recently Sir Laming Worthington-Evans, the British Postmaster-General, was made the subject of laudatory notices in the Press, which were supplied by a propaganda official in the Post Office. Being new to the office, Sir Laming had not known that he was liable to this sort of treatment, and took steps to cause it to cease. Other Ministers, however, have been less squeamish. The present writer is not in a position to judge as to the extent of this evil elsewhere. The New York *Freeman* (August 22, 1923) states, *à propos* of this incident: "We believe — though Englishmen may think this an extravagant claim — that the United States suffered more from this sort of prostitution even than the England of Northcliffe and Lloyd George." This statement, however, seems scarcely credible.

It is not only through the Press that Government propaganda is carried on, but also through the schools. In all countries, it is regarded as part of the business of education to instil patriotism. This is done by dwelling on the sins of other nations and the virtues of one's own, thus producing an atmosphere of national self-righteousness. French elementary school-children at the present day are carefully taught to hate the Germans. The present writer has numbered among his friends an Italian and a Greek, both men of learning and high academic distinction, who severally informed him that, while the case for every other belligerent in the World War was obviously unsound, the case for their own country was absolutely unanswerable. In each case they were carried away by propaganda, the effectiveness of which was mainly attributable to the influence of early education.

Government propaganda is also employed in labour disputes, to popularise the case for the employers. This is done in all industrial countries.

The technique of Government propaganda, as applied to adults, is derived from the practice of advertisers. Commercial competition has provided data as to the kind of advertisements that are successful; in America, the psychology of advertising has been carefully studied by eminent psychologists. Advertising is the art of producing belief by reiterated and striking assertions, wholly divorced from all appeal to reason. Experience shows that the average man, if he is told a hundred times a day that A's soap is the best, and fifty times a day that B's is the best, will buy A's, although he knows that A is making the assertion for the sake of his own pocket, not from a disinterested love of truth. This fact is now utilised by Governments, especially through the Press and the cinema, to cause subject populations to believe whatever suits the Governments. Although, in democratic countries, the population is allowed to vote, it is not allowed to form its own opinion on the issues, but is hypnotised into the opinion which is officially considered desirable. A dramatic event, such as defeat in war, causes the whole edifice of hypnotically-induced belief to break down, and leads to a revolution, which puts the apparatus of spell-binding into new hands. But in ordinary times the method works well, and enables the holders of power to secure stability in the Government. The whole method is as yet in its infancy, but it is likely to become developed and perfected with great rapidity, until nothing but defeat in war will suffice to produce any change not desired by those who control publicity. This will make for the preservation of order and the domination of the more "solid" elements in the community.

In spite of these advantages, however, there are certain dangers in the method. There is the danger of revolution, through the sudden overturning of a whole system of beliefs not based on fact. Whenever a fact becomes too patent to be denied, it destroys the credit of propagandists who have been endeavouring to conceal it, with the result that there is a sudden and often dangerous revulsion. If the facts had come to be known gradually, a gradual adaptation to them would have been more possible. All Europe east of the Rhine, in 1917 and 1918, illustrated this danger.

There is also the danger that men become accustomed to potent and irrational stimuli to belief, instead of the milder but more reliable stimulus of reasonable evidence. An irrational stimulus most readily produces belief when it appeals to some primitive instinct, and the continual stirring up of such instincts constitutes a danger to civilised life.

Finally there is the danger that, in the absence of an international Government, the rival systems of propaganda instilled by different Governments produce conflicting passions, which greatly increase the likelihood of war. Nationalism is the principal aim of Government propaganda. That is to say, when we consider all the nations and not one only, the effect of Govern-

ment propaganda is to make A and B believe that it is their sacred duty to kill each other. The world is divided by national barriers into groups with absolutely opposite beliefs, each set of beliefs seeming fantastic and impossible (as indeed it should be) to all who are outside the nation concerned. In these days of disarmament conferences, it is strange that the disarming of national propaganda has never been suggested. So long as Governments devote themselves to stirring up national rivalry, it is inevitable that the passions generated should demand an outlet. If Government propaganda were in the hands of an international authority, the beliefs propagated might still be false, and the methods of producing conviction might still be irrational, but at any rate what was taught would not be a source of strife and mutual destruction, as at present. Since, however, such a hope is utterly Utopian, it will be necessary to wait until the evils wrought by Government propaganda have produced (through survival of the fitter) a general scepticism as to all frequently reiterated statements, and an immunity from incitements to collective hysteria. This will not happen, however, until the population of the civilised world has been very considerably diminished by the existing methods of propaganda.

CHAPTER XVIII

THE LEAGUE OF NATIONS: WHAT IT HAS ACCOMPLISHED

By Léon Bourgeois

President of the Chamber of Deputies, 1902–1903. President of the Senate, 1921. At various times Minister of Public Instruction, of Justice, of Labour and of Foreign Affairs. Premier Delegate of France at the Hague Conferences. Member of the Council of the League of Nations, in which capacity he was chiefly responsible for the drafting of the Covenant of the League. Author of *Pour la Société des Nations; Le Pacte 1919 et la Société des Nations; Le Traité de Versailles*

I. Its Origin

The conference held at The Hague in 1899 and 1907 paved the way for the Peace Treaty of 1919, which constitutes the charter of the League of Nations. These conferences had studied the problems of disarmament, codification of the rules of war, and organisation of a system of arbitration with a view to the peaceful regulation of international conflicts.

As far as the question of disarmament is concerned, these conferences, because of inability to effect concrete results, were forced to limit themselves to the declaration: "that the limitation of armaments, which weigh so heavily on the world, is eminently desirable for the material and moral welfare of humanity."

The rules of war on both land and sea had been settled by unanimous consent at The Hague, but in the course of the World War Germany carried out none of the obligations which had been imposed on her when she adopted these conventions. Indeed, Germany, supported by those States which were later in the World War to become her Allies — Austria-Hungary, Bulgaria and Turkey — opposed the idea of compulsory arbitration in cases where the vital interests of a nation were not involved.

The Peace Treaty of 1919 was possible because the Allied and Associated Powers had been overwhelmingly affected by the disasters caused by the World War, and had foreseen its painful and far-off repercussions. The growing interdependence of all phenomena in the life of men, and the inevitable solidarity which, in an ever-increasing degree, binds their destinies together, were cruelly demonstrated in the war. A conflict, at the outset limited in its original causes and apparently equally limited in its consequences, having divided two nations, one of which was a small state of eastern Europe, spread almost immediately over nearly the whole of Europe, and from there to several of the states of Asia and America, no matter how strong the desire of these states to remain neutral. Since the Armistice, each of these states has been quick to perceive that, as it had foreseen, the disorganisation produced by the war in all the phenomena of production, of exchange and of transport, was far from having exhausted all its evil effects.

A profound unrest yet subsisted, manifested by the demoralisation of exchange, which in turn was a sign of the deepest demoralisation of human activity. An insupportably high cost of living, and deadly break-downs in all the richest countries, demonstrated the universal danger.

Since war thenceforth was destined to effect an economic transformation of the world, and would no longer be limited to merely local conflagrations — evils striking only those directly responsible for them — but might even spread over the entire globe, was it not the duty and to the vital interest of all to seek a method, to create an institution, the object of which would be to foresee and prevent the causes of war or at the least to limit its disastrous extension?

Each of the authors of the Peace Treaty was agreed on this essential idea: the necessity of creating between nations, capable of a common conscience of right and wrong, a solemn agreement with the view of ensuring human order by means of a durable peace.

By the terms of the preamble of the Peace Treaty, equity as between nations was defined as "international prescriptions recognised as effective rules of conduct between governments"; as "treaties stipulating certain obligations in the mutual relations of the organised peoples," or, finally, by the application of "international relations founded on justice and honour."

II. Its Constitution

It was not desirable in 1919 to create a sort of super-state under the name of League of Nations. This, indeed, would have been impossible, for the World War — a war of liberation for many oppressed races — served only to make national sentiment more imperious, more ready to take offence. All nations are equally desirous to maintain jealously their independence and to reserve intact the free exercise of their full sovereignty. On the contrary, what was desired was to constitute an association between those nations which were free and which voluntarily stood for peace — nations, great or small, all sovereign states, but equally willing to enter into a contract for the mutual assurance of peace. This assurance was to have a twofold object: first, a general guarantee of one and all against all risk of war at any violation of justice; second, to procure for one and all the benefits of a real mutuality — that is to say, an *ensemble* of practical agreements which would substitute for a condition of competition and rivalry, in which the germs of conflict develop unceasingly, a state of solidarity profitable to all concerned.

It is thus not a question of a super-national organisation whose actions would be sometimes disturbing and sometimes ineffectual, but simply of a mechanism which — the principle of unanimity being admitted for the validity of every important decision — will carry with it no danger to any state. Useful in its early stages, then indispensable owing to the complexity of modern life, the League will be worth exactly what the states which compose it are worth.

Its three essential organs are the Assembly, the Council and the permanent Secretariat.

Article 3 of the Peace Pact declares that "the Assembly is composed of the representatives of all states which are members of the League." These states at the opening of the Assembly numbered 41; at the beginning of 1924, 52.

Each state, each member of the League, is allowed a maximum of three representatives in the Assembly, but no state possesses more than a single

vote; the vote is taken by a roll-call of all the states, and it is the first delegate of each state who votes in the name of his country.

The Council (Article 4) is formed in part by the representatives of the five Great Powers (the United States, not having ratified the Treaty, has no place on the Council, consequently reducing to four the number of the representatives of the Great Powers who are entitled to rank as permanent members) and in part by six representatives of six other states, submitted annually to reëlection. Belgium, Brazil, Spain, Greece, China, Sweden and Uruguay have been, or are still, represented on the Council.

THE DUTIES OF THE LEAGUE

The Council is entrusted in a more or less permanent fashion with the working of the League. According to Article 4, it "takes cognisance of all questions entering the sphere of the League's activity or affecting the peace of the world." Now, Article 3, which deals with the organisation of the Assembly, provides in the same terms that "the Assembly takes cognisance of all questions entering the sphere of the League's activity or affecting the peace of the world." Here, then, are two organisations, one of which assembles with great frequency and the other only once a year, that are charged in precisely the same terms with precisely the same powers. Some of the articles of the Peace Pact intentionally assign to both the Council and the Assembly certain special tasks, while others are limited to referring to "The League of Nations" without any particular designation of either the Council or the Assembly.

Nevertheless, in practice normal relations have been established between the Assembly and the Council; and until precise definitions are made, the following rules determine these relations: — The Council is not a governing body responsible to the Assembly; both Council and Assembly have the same origin and their relationship in no sense resembles that of a House of Lords and a House of Commons. The Council presents a report each year to the Assembly, dealing with the work accomplished. The Assembly considers the results of the deliberations undertaken by the various commissions; these are accepted by this body before being sent to the Council for special study and for a report that is presented at the next meeting of the Assembly. The Council considers the resolutions of the Assembly as possessing the highest moral importance, but does not consider itself definitely bound by them.

The Council and the Assembly, except on matters of procedure, of elections, or in certain cases designated in the Treaties, can give only unanimous decisions. But this unanimity is not considered as being destroyed by simple abstention. All states, great or small, which are members of the League are equal before the law; all have as the safeguard of their sovereignty, an equal right to declare their will.

Finally, the Secretariat is composed, on the lines of the Assembly, of a *personnel* drawn from all states; this *personnel*, owing to its system of international coöperation, is engaged in the preparation of the work of the Council and Assembly.

A PERMANENT COURT OF JUSTICE

Article 14 of the Treaty imposes on the Council the heavy task of preparing a project for a permanent Court of International Justice and of submitting

it to the members of the League. It was in September, 1921, that the Assembly and the Council came to an agreement concerning the choice of the eleven titular judges and four assistant judges, who constitute the supreme tribunal of the civilised nations. These assembled for the first time at The Hague, February 15, 1922, and have already rendered many opinions. Recently, in the "Wimbledon" affair, for the first time they delivered a sentence.

In establishing among nations a non-political and purely judiciary organisation — a tribunal composed not of representatives of this or that state, but of well-known and highly-respected jurisconsults drawn from all over the world and charged solely to mete out justice in the differences and conflicts which surge between nations — the League of Nations has constituted an organisation which is destined to become the corner-stone of a new international order.

At The Hague a permanent Court of Arbitration had been constituted, but strictly speaking, there was nothing permanent about it but a list of arbitrators who placed themselves — and still do — at the disposition of various parties and who may be called upon by them to form a tribunal; further, the members inscribed on the list of arbitrators were nominated by their Governments. Whatever their personal authority, they were considered as representing their respective countries, and appeared more in the rôle of national representatives.

The members of this Hague Court of Arbitration are responsible for the lists of persons eligible for the permanent Court of International Justice. Voting as nations, they have the right to designate four names, of which two must not be those of fellow-countrymen. From these lists the titular and assistant judges are chosen for presentation to the League of Nations. Those nominated must receive an absolute majority in both the Council and the Assembly. The United States of America has participated in establishing the statutes of the Court through Mr. Elihu Root; and an American jurist, Mr. John Bassett Moore, is among the judges.

The scope of the jurisdiction of the Court is inscribed in Article 14 of the Treaty. It takes cognisance of all disputes that may be submitted to it, but it is particularly those enumerated in Article 13 — disputes concerning the interpretation of treaties, all points of international law, and ruptures in international contracts, which are the special province of the Court of Justice. This jurisdiction is not obligatory, but those states which wish to make it so as between themselves, are authorised to sign a supplementary protocol to that effect.

THE TECHNICAL COMMITTEES

Article 23 of the Treaty entitles the League to take all necessary measures to guarantee and maintain liberty of communication and transport and to ensure an equitable treatment of commerce, and for the prevention and cure of contagious diseases and of social evils such as the trade in women and children, the traffic in opium and noxious drugs, etc.

For the execution of this article, the Council has established a certain number of technical organisations, such as the Committee of Economics and Finance, the consultative Committee of Communications and Transport, the Committee of Hygiene, etc.

These committees, formed of experts of the highest repute, are purely consultative centres of study placed under the immediate control of the Council.

They have no powers of initiative, but they make a study, from their special points of view, of the questions submitted to them by the Council and prepare the agenda of the international conferences that either the Council or the Assembly has decided to convoke.

Finally, the whole problem of labour was, in Part 13 of the Treaty of Versailles, handed over to the International Labour Organisation. This body was organised at Washington before the League was born. It has obtained a wide automony, and by special provisions masters, men and governments are represented. The expenses of this organisation are charged to the budget of the League of Nations.

III. Its Work and Its Future

The chief object of the League of Nations is the maintenance of peace by the substitution of a reign of justice for the reign of force.

Those states which are members of the League of Nations pledged themselves, when signing the Peace Treaty, in two particulars: first, that of Article 10, which provides for the respect and maintenance of the territorial integrity and political independence of those nations which are members of the League; second, that of Article 12, which declares that, in the event of disputes with any other state, recourse will not be taken to war before an attempt is made to bring about a peaceful settlement.

By Article 11, as soon as danger of war becomes apparent, whether or not directly affecting any one of the members of the League, or whenever it is feared that peace may be endangered, the Council of the League of Nations, either at the request of any one of the members, or automatically through the intervention of the Secretariat, must at once assemble for deliberation.

Articles 12, 13 and 15 offer to each state which is a member of the League a choice of the most varied procedures for permitting them to regulate any differences which may arise between them or with any state which is not a member of the League.

There is first — if the solution of a question of justice is involved — the Court of Justice; or — should the states concerned prefer it — there is the method of arbitration, either by the intermediary or the Permanent Hague Court of 1907, which is still in existence, or by a direct choice of the parties concerned.

There is also — if the trouble consists of one of those frequent political difficulties where it would be extremely hard to deliver, judicially and absolutely, a verdict for or against either of the disputants, and where only conciliation and compromise are possible — the Council itself, which places itself at the disposal of the disputants in an attempt to find, in agreement with them, a basis of understanding and to reëstablish friendly relations between them.

The Successes of the League

By such a method the Council has already solved the grave questions of the Åland Islands, appeased the dispute between Serbia and Albania, and stayed, at least, hostilities and maintained peace between Poland and Lithuania. In these three cases it was the interested Powers themselves which demanded the services of the Council. In the question of Upper Silesia, as in the financial reconstitution of Austria, it was the Supreme Council which

submitted to the League of Nations a question for which it could find no solution itself. The question of Upper Silesia, in which was involved the whole peace of Europe, was not a conflict between Germany and Poland, but a failure on the part of France and England to arrive at an understanding regarding a ruling that Germany and Poland were obliged to accept. In particular, the partition of what is known as "the industrial triangle" was considered to be an impossibility on account of the vastness of the interests — mineral and metallurgical — involved in the contested territory.

By means of a profound and strictly impartial study which lasted more than six weeks, and which adhered scrupulously to the prescriptions of the Treaty of Versailles, the Council, seeking to conciliate these with the various economic interests involved, succeeded in establishing a partition under conditions which for two years have given satisfaction to all, even to those directly concerned.

Austria, in the throes of a complete financial break-down at the beginning of winter of 1922, implored the assistance of Europe. A special Committee, directed by the Council to seek a remedy for her desperate situation, succeeded in seven weeks in making an arrangement by which the sovereignty of Austria was solemnly proclaimed, the interests of the lenders guaranteed and the control of Austrian finances assured. In a few months, even in a few weeks, this arrangement stayed the *débâcle*, stabilised Austrian money and for the first time created among Austrians a confidence in the future of their country.

If, in such exceptionally dangerous cases, the League of Nations has succeeded where the Powers failed, the credit deserved must be given to its spirit of justice and independence and to its system of work, which is prudently objective and disinterested. Part of the great strength of the League of Nations lies in the fact of its permanence and consequently in its capacity for continuous action. Not only, in giving its decisions, does it speak in the name of the fifty nations and more which compose it and under the influence of universal public opinion, but it can also, with public opinion supporting it, execute its own decisions. The Council is represented in Upper Silesia by an arbitrator, and in Austria by a Commissioner, who see that the decisions of the Council are carried out in the same spirit in which they were inspired.

ITS PERMANENT CHARACTER

The permanent character of the League of Nations also carries with it results of a political nature. It is not merely disputes between sovereign states which menace the peace and order of the world. Within these states themselves it is possible that conflicts may arise, of which the repercussions beyond the frontiers may have grievous consequences. The opposition of a resolute minority can bring about the formation of rival groups whose chiefs may seek support outside their own country.

The Allied Powers, at the time of the signing of the Peace Treaties, foresaw this danger, and in several of these treaties clauses were introduced with the intention of ensuring, by the most precise regulations, the protection of minorities.

ENFORCEMENT OF DECISIONS

But to whom can the guardianship of these regulations be confided, and of whom can punishment for their violation be demanded? Who can enforce

the application of these regulations to other states? These things can only be done by an organisation at once independent of states and permanent in character — that is, the League of Nations.

In the same way, the former German colonies and certain territories detached from the Turkish Empire, according to the terms of the Treaties, have been awarded to the victorious Powers as mandatories only of the League of Nations. Again, the League of Nations has been entrusted with power of control over, the protection and even the administration of, territories which, for reasons of justice or political or moral necessity, have not been definitely awarded or left — either permanently or temporarily — in the hands of any particular state. The Saar Government and the High Commission of Danzig, which were established by the League of Nations, have exercised their powers without in any way disturbing the peace of these two territories in both of which the risks of conflict were great.

Here, then, is a form of international action capable of considerable development in the future. The League of Nations has succeeded in obtaining these results without use of an executive force. How would it secure the enforcement of its decisions in cases of breaches of the Treaty?

REDUCTION OF ARMAMENTS

Article 8 establishes in principle the necessity of a reduction of armaments and the theoretical conditions for this reduction. And the same article, in its last paragraph, creates a moral obligation between states to inform one another concerning the state of their armaments. Article 9 creates a permanent military commission entrusted solely with the power of advising the Council. The author of this chapter tried, at the Peace Conference, to introduce into the Treaty two important regulations, one dealing with the question of the mutual verification of the declarations made by the states concerning their military forces, and the other dealing with the preparation of any military measures which might eventually appear to be necessary. These problems are still being considered by the technical commissions of the League.

There is, it is true, Article 16, which provides for those measures which are to be taken in the case of violation of the Peace Pact regulations and notably that of Article 12. According to Article 16, the guarantees provided for are partly diplomatic and economic and partly military. But the discussion on Article 16 brought to light the fact that, so far as the majority of states in the League is concerned, each considers itself to possess the right of declaring what it believes to be a violation of engagements and, consequently, of applying the blockade. As for military sanctions, the provisions are contained in the following: "In this case, it is the duty of the Council to advise the various Governments concerned of the armed forces which the members of the League will contribute respectively to that armed force destined to enforce the decisions of the League."

To the Council thus falls the duty of addressing its recommendations to the members of the League, each state remaining free either to follow them or to take no action. This is a positive source of weakness, but it bears on the fundamental principle of the sovereignty of states, a matter in which experience alone will demonstrate those limitations that are both possible and harmless.

In the meanwhile, it is not easy to see how a compulsory limitation of armaments can be imposed on states which are not certain of being efficaciously protected by the League in the event of aggression. Furthermore,

the idea of guarantees was considered by the consultative commission appointed by the Council of the League of Nations for the purpose of studying the question of the limitation of armaments. Article 21 of the Peace Treaty also authorises any kind of regional *entente* and all defensive understandings having as their end the maintenance of peace.

Although lacking a material force to execute its decisions, the League of Nations represents an extremely powerful moral force; it constitutes an *ensemble* of means of action and methods of procedure which have already made it in some of the gravest circumstances, and with the growing adhesion of Governments and the still more effectual support of universal opinion, an efficacious instrument — and the only one — existing for the maintenance of peace.

The League of Nations has been careful to strengthen its political action by the judicial action of the International Court of Justice and further by an organic action, the object of which is to accustom all states, in so far as their sphere of interests is concerned, to associate themselves with, and to live together for, aims higher than immediate selfish advantages; in a word, to create an organisation which cannot be attacked on any particular point without inflicting a grave hurt on the whole.

If it is possible to coördinate special national interests by means of mutual equitable concessions and with special exchange of services, and thus to attain solidarity in a balanced and mutually satisfactory whole, the associated interests will themselves resist any attempt at rupture that may be made by a warlike or ambitious Government. Such a rupture would have disturbing effects on the financial and economic equilibrium established between states associated within this common organisation and would inflict a wound on all states at once. This would lead to a tightening of the *entente* between them and of the union for defence against all attacks. In such an organisation of mutual interests the real strength of international bonds would be found. This is the firm foundation of international life.

PROBLEMS ALREADY DEALT WITH

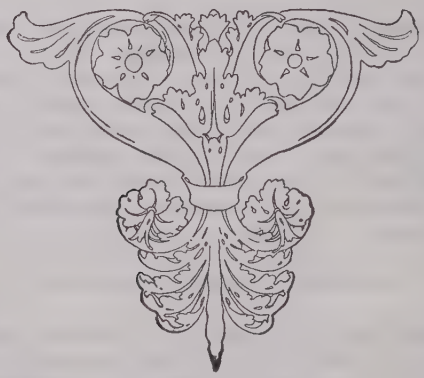
The League seeks to organise the protection of health and life. The International Bureau of Hygiene has been incorporated with it. In Poland the war against typhus has been brought to a victorious conclusion. The International Labour Organisation brings masters, men and Governments together for the discussion of hours of work, strikes and all other problems connected with production. Questions of transit, of navigable routes, of ports and railways were discussed at the Barcelona Conference in 1921. Tariffs will be on the agenda of a conference which is shortly to meet. The economic and financial situation of the world was studied in detail at the Brussels Conference in 1920. I have already alluded to the successful financial reconstruction of Austria which the League of Nations took in hand in 1922. The League also organised the repatriation of war prisoners who were then in Russia, and of Russian emigrants, and also instituted measures of relief protection for those Greeks and Armenians who had fled from Asia Minor.

ITS IDEALISTIC ASPECTS

Finally, in the domain of intellectual work, just as in political matters and in all departments of material activity, the League aims at the creation of a mutual association for the safeguard of each state, which is asked to

conform to the prescriptions of justice and equity. The League of Nations has created a commission for intellectual coöperation. The object of this commission is not in any way to interfere with the originality of national mentality, the diversity of which is a condition essential to the progress of ideas. On the contrary, it seeks to allow national genius to develop with all the more strength and vitality by drawing from the general treasury of the knowledge, methods and discoveries of all. From the souls of all these nations, is it impossible to bring forth one which will be common to all, and will unite, without absorbing the aspirations of any one of them, in ardour for justice?

The work and the future of the League of Nations may be summed up in three words: Justice, Life, Peace. With the object of establishing a lasting peace it will work to organise, in conformity with justice, those instinctive movements of material and spiritual solidarity which now animate national life.



CHAPTER XIX

REPARATIONS

THE LARGEST BILL EVER PRESENTED

By John Foster Dulles

Counsel to the American Mission to Negotiate Peace, 1918–1919. Member of the Reparations Commission and of the Supreme Economic Council, 1919. Chevalier of the Legion of Honour.

PRE-ARMISTICE NEGOTIATIONS

The first authoritative declaration of the reparation demands of the Allied and Associated Powers was contained in Mr. Lloyd George's "war aims" speech of January 5, 1918. He then stated the Allied demand to be "the complete restoration . . . of the independence of Belgium and such reparation as can be made for the devastation of its towns and provinces. This is no demand for war indemnity such as was imposed on France by Germany in 1871. It is not an attempt to shift the cost of war-like operations from one belligerent to another which may or may not be defensible. . . . Next comes the restoration of Serbia, Montenegro and the occupied part of France, Italy and Rumania. . . . Finally, there must be reparation for injuries done in violation of international law."

This declaration was endorsed by Mr. Clemenceau the following day, and three days later President Wilson, in his address of January 8 to Congress, stated in substantially similar language, as certain of his Fourteen Points: "Belgium, the whole world will agree, must be evacuated and restored. . . . All French territory should be freed and the invaded portions restored. . . . Rumania, Serbia and Montenegro should be evacuated; occupied territory restored."

These two statements stood as the official declaration of the Allied objective as to reparations when in October, 1918, the German Government sought an armistice. On October 6 that Government, in a note to the United States, declared that it accepted "as a basis for the peace negotiations, the programme laid down by the President of the United States in his message to Congress of January 8, 1918, and in his subsequent pronouncements." President Wilson, apprehensive of the vagueness of the phrase "as a basis for peace negotiations," demanded that the German Government accept the terms laid down by him on January 8, and in subsequent addresses, as the "terms of peace," so that discussion would be limited to reaching an agreement "upon the practical details of their application." To this the German Government replied on October 14, that it "accepted the terms" and would expect discussion only as to the practical details of their application. Thereupon President Wilson advised the German Government that, in view of such explicit acceptance of the terms of peace, he would take up with the Allied Powers the question of an armistice. The President then transmitted to the Allies his correspondence with Germany and sought their assurance

that they too accepted the terms of peace to which Germany had agreed. The Allied Governments in reply stated that "subject to the qualifications which follow, they declare their willingness to make peace with the Government of Germany on the terms of peace laid down in the President's address to Congress of January, 1918, and the principles of settlement enunciated in his subsequent addresses." Then followed two qualifications, one relating to the freedom of the seas and the other relating to reparation. As to this the Allied Governments stated "the President declared that invaded territories must be restored as well as evacuated and freed. The Allied Governments feel that no doubt ought to be allowed to exist as to what this provision implies. By it they understand that compensation will be made by Germany for all damage done to the civilian population of the Allies and their property by the aggression of Germany by land, by sea and from the air."

This interpretation was accepted by President Wilson and by the German Government; and thereupon, it appearing that all of the parties were in agreement as to the "terms of peace," the military armistice was negotiated and concluded.

Article 19 of the Armistice provided: "reserving all subsequent demands and claims on the part of the Allies and of the United States, reparation of damage." This language in the Armistice was suggested by the then French Minister of Finance, and was incorporated without discussion in the Armistice as signed on November 11, 1918, on behalf of the Allies by Marshal Foch and Admiral Wemyss.

PEACE NEGOTIATIONS

When the Peace Conference assembled at Paris in December, 1918, following the conclusion of the Armistice, the subject of reparation was perhaps uppermost in the minds of the various Allied delegates. General elections were pending in France and had just been held in Great Britain where the Government was returned to power on a platform pledging it to recover from Germany the full costs of the war. With the other Allied Powers, financial and economic considerations played a commanding rôle. Virtually all looked to Germany as an inexhaustible source of wealth from which their shaken finances might be reëstablished.

The Conference organised itself into commissions, one of which was the Commission on Reparation. This Commission was given the duty "to examine and report on the question of the amount for reparation which the enemy countries should pay and are capable of paying, as well as the form in which payment should be made and to recommend measures to guarantee payment."

The procedure of this Commission was, in the first instance, to seek from the various Powers a written statement of the general principles which, in their opinion, should govern the formulation of the reparation terms. As a result of the memoranda which were thus submitted it quickly developed that there was a difference of opinion upon three fundamental principles, namely:

(1) Could the Allies require from Germany payment of the entire costs of the war or were they limited to reparation in respect of actual damage done by the German military forces?

(2) If, in general, war costs could not be recovered, was Belgium in an exceptional position since, being neutralised by treaty, the war of Ger-



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A MEETING OF THE CREDITORS

Four Prime Ministers at No. 10, Downing Street, London, the historic residence of the Prime Ministers of Great Britain, discussing ways and means for making Germany discharge her debt. Left to right: M. Poincaré (France), Mr. A. Bonar Law (Great Britain), Signor Mussolini (Italy) and M. Theunis (Belgium).

many against Belgium was, from its inception, illegal and imposed upon Germany the duty of making integral reparation?

(3) If the Allied Powers were, in general, limited to seeking reimbursements from Germany to the amount of damage done to the civilian population and its property, as stated in the pre-Armistice declaration, what was the proper construction of this declaration? In particular, could pensions and like governmental charges be deemed to be "damage to the civilian population and its property?"

Of these three questions the first was basic, and assumed prime importance. It was the subject of formal debate before the Reparation Commission of the Peace Conference throughout several weeks. This discussion merely accentuated, however, the divergence of views. The American delegates were alone in their contention that the Allied Powers were so limited by the pre-Armistice agreement that war costs could not be demanded of Germany, but only compensation for actual damage done to civilians and their property by the German military forces on land, by sea and from the air. In view of this fundamental difference of opinion the reparation delegates decided to refer the question back to the heads of the four principal powers, namely, France, Great Britain, Italy and the United States. With this reference the Reparation Commission of the Peace Conference virtually ceased to function. Thereafter the heads of these four states — the "Supreme Council" or "Big Four" as they were popularly called — themselves dealt with the reparation question and themselves, with the advice of their personal technical advisers, determined the reparation provisions of the Treaty.

When the question of war costs was first referred to the Supreme Council, President Wilson was *en route* to the United States on the *George Washington*. The matter was, however, fully submitted to him by wireless, and it was finally settled in accordance with his views as expressed in the following wireless message to the American Mission:

"I feel that we are bound in honour to decline to agree to the inclusion of war costs in the reparation demands. The time to think of this was before the conditions of peace were communicated to the enemy originally. We should dissent, and dissent publicly if necessary, not on the ground of the intrinsic injustice of it but on the ground that it is clearly inconsistent with what we deliberately led the enemy to expect and cannot now honourably alter simply because we have the power.

(Signed) Woodrow Wilson."

Once, however, it had been agreed that the reparation demands of the Allies would exclude war costs and be limited to damage as specified in the pre-Armistice statement, the further question immediately arose as to whether pensions and payments made by the Allied Governments to the families of absent soldiers (separation allowances) should fall into the category of war costs, and thus be excluded, or whether these items could be treated as "damage to the civilian population." Mr. Lloyd George was particularly insistent upon the inclusion of these items, as otherwise Great Britain would have been largely excluded from participation in reparation; and the British Dominions, which had suffered no material damage, would have been wholly excluded. The views of Mr. Lloyd George in this matter were finally accepted, largely due to the persuasion of a memorandum of General Smuts, who argued that Government payments to families whose bread-winners were mobilised in the armies really represented damage to the civilian population, and that pensions also represented damage to civilians, since in most cases the wounded soldiers continued to suffer loss after reverting to a civilian status. The

United States, however, at that time, disclaimed any intention of itse. seeking reparation on this score.

The third question of principle, namely, the status of Belgium, was not dealt with until the very eve of the handing to Germany of the Conditions of Peace. This was due to the fact that Belgium, which was the nation primarily interested, had no representative upon the Supreme Council, which was then dealing with these questions. Furthermore the principal Allies, having themselves agreed to renounce war costs, were somewhat fearful of the political consequences incident to giving Belgium an exceptional position in this respect, even though Germany had herself admitted the duty of making integral reparation in the case of Belgium. This question was, however, finally settled in a sense favourable to Belgium after King Albert had made a dramatic appearance before the Supreme Council, flying from Brussels to Paris for this purpose. Not only was this preferential position as regards war costs accorded to Belgium, but Belgium was at the same time accorded the right to receive, on account of her claims, 2,000,000,000 gold marks in priority out of Germany's first reparation payments.

When the questions of principle had been settled as above indicated, a considerable task still remained in formulating the Allied demands in precise treaty terms. The American delegation strongly believed that the Treaty should fix definitely the amount of Germany's liability, even though it was admitted that such a fixation could not be scientific either from the point of view of Germany's capacity or from the point of view of expressing the precise amount of damage done. The British delegation inclined toward this same view, and serious efforts were made to arrive at a definite figure which could be inserted in the Treaty. Eventually, however, the differences of viewpoint proved too great to be reconciled, and it was finally determined not to express in the Treaty the precise amount which Germany should pay. The procedure adopted was to schedule the various categories of damage for which Germany should be held liable, and to leave to a commission to be constituted under the Treaty, and known as the Reparation Commission, the duty of evaluating the precise amount of this liability and fixing the rate of payment. It was, however, recognised by all that there should at least be some preliminary demands of a precise nature. Accordingly the Treaty obligated Germany to pay on account by May 1, 1921, 20,000,000,000 gold marks, which was to include the costs of the armies of occupation, and from which was to be deducted the cost of certain essential food imports of Germany within this period. Furthermore, the Treaty provided for certain deliveries in kind, notably coal, ships, live-stock, reconstruction material and dye-stuffs, the value of which would be credited against the cash sums due. In the case of coal and reconstruction materials the Reparation Commission was given authority to fix the precise amounts within certain maximum limits and the Commission was instructed, in so doing, to take into account the internal economic situation of Germany. The figure of 20,000,000,000 gold marks, above referred to, was arrived at by valuing certain credit allowances and specific German assets, such as ships, cables, dye-stuffs, etc., which would be taken pursuant to the Treaty terms.

The Treaty did not attempt to fix the respective interests of the Allied creditors in Germany's reparation payments. Efforts to apportion the amounts then proved unsuccessful, and this question also was left for subsequent settlement.

The foregoing represented the basic lines of the Conditions of Peace as submitted to the German peace delegates. The submission was in writing, and the Germans were allotted a brief period within which to express their views in writing. No verbal discussion or negotiation was permitted. The

Germans in their reply and comment on the draft Treaty recognised and accepted the obligation to make good material damage done in France and Belgium and the duty to make integral reparation in the case of Belgium, including payment of her war costs. The Germans rejected, however, the items of pensions and separation allowances as being not fairly within the terms of peace which had been offered them and which they had accepted before laying down their arms. The Germans further sought an immediate and definite fixation of their liability and offered, subject to the modification of certain economic terms, to make periodic payments to a total of 100,000-000,000 gold marks. This was not a capital sum, bearing interest, but a total of annuities which were to be begun in the year 1927. The actual capital value, in 1919, of the German offer was not subject to definite computation because the amount of the periodic payments was to be in certain respects dependent on the condition of the German budget. It was roughly estimated, however, that the amount offered had a then capital value of about 40,000,000,000 gold marks.

The German observations upon the conditions of peace were considered by the Allied Powers, but did not result in any material changes. Thus the reparation terms as above outlined were finally incorporated in the Treaty of Peace as signed at Versailles on June 28, 1919.

THE TREATY IN OPERATION

Immediately upon the signature of the Treaty, the Reparation Commission was informally organised. Formal organisation was completed when the Treaty legally came into force through the deposit of ratifications on January 10, 1920. France, Great Britain, Italy and the United States were entitled to permanent representation upon the Commission. Belgium was entitled to permanent representation except when shipping questions were to be decided, when Japan took Belgium's place. The United States, as a non-ratifying power, did not, however, assume its place on the Commission and was not represented except through the presence of an observer.

This Commission, under the Treaty, was constituted the central and exclusive agency of all of the creditor nations with respect to the handling of the reparation question subject only to control on certain specified major questions by the interested Governments. The seat of the Commission was Paris, and its chairman, the French member, was entitled to two votes in the event of a tie.

Since the Treaty did not require any cash to be paid by Germany until May 1, 1921, the Commission at first devoted itself primarily to the application of those provisions of the Treaty calling for the deliveries in kind. In so far as concerned most of these, such as deliveries of ships, dye-stuffs and live-stock, the Commission secured substantially satisfactory execution by Germany. As regards reconstruction material there proved to be little demand, since the industries of France and Belgium desired themselves to supply such reconstruction material and were able to rally patriotic impulses in favour of the use of domestic rather than German goods. This same spirit rendered it impracticable to work out any arrangement for the actual employment of German labour for reconstruction purposes. Several offers to this end were made by Germany and carefully considered by the Reparation Commission. But objection to the presence of Germans in France and the opposition of French labour unions ultimately prevented the consummation of these plans.

With regard to coal, however, the requirements were very great and difficulties constantly arose. The Reparation Commission called for monthly coal deliveries of 2,000,000 tons, and Germany was usually about 10 per cent in arrears in meeting this monthly schedule. She claimed that this schedule could not be fully met without disastrous effects upon her own industrial life, and pointed to the fact that the coal deliveries which she did make so depleted her supplies as to require her to make large imports from Great Britain which were uneconomical and a great financial drain. These difficulties were accentuated when the Silesian coal-fields were in large part awarded to Poland.

FIXING THE DEBT AND THE PERCENTAGES

While the Reparation Commission was thus struggling with the various problems involved in deliveries in kind, the various Allied Governments, directly or through their members on the Reparation Commission, were working on the major problems of the fixation of the total German debt and the fixation of percentage of interest of the various creditor nations. There occurred a series of conferences (San Remo, Hythe, Boulogne, Spa, Brussels, etc.) attended by the Allied Premiers. Little of permanent importance was accomplished at these conferences, except that at the Spa Conference of July, 1920, the Allied Powers agreed upon their respective interests in Germany's reparation payments. The following were the percentages then determined upon:

France	52%
Great Britain	22%
Italy	10%
Belgium	8%
Other Allies	8%

At these conferences various proposals were made both by the Allies and by Germany for an arbitrary fixation of the total reparation liability. None of these proposals secured unanimous acceptance, however, and the matter was finally left for determination by the Reparation Commission in accordance with the Treaty procedure. This involved an actual valuation by the Commission of the damage covered by the several categories (material damage, pensions, etc.) which were specified by the Peace Treaty. This damage the Reparation Commission evaluated, in the aggregate, at the capital sum of 132,000,000,000 gold marks, plus the amount of Belgium's war debt of about 4,000,000,000 gold marks.

No official statement has been made as to the amount of the several items going to make up the total, but it appears that approximately 45,000,000,000 gold marks is ascribable to material damage and about 87,000,000,000 gold marks to pensions and separation allowances.

The Reparation Commission not only thus fixed the total of Germany's liability, but also established what it termed a "schedule of payments" to provide for the discharge of this amount. This schedule of payments provided in substance that the total amount was to be evidenced by bonds, whereof 12,000,000,000 gold marks were denominated Series A and 38,000,000,000 gold marks denominated Series B. These two series of bonds were to bear interest at five per cent and to be amortised as to principal at the rate of one per cent per annum. A further series of bonds, denominated C Bonds, was provided for in the amount of 82,000,000,000 gold marks. These bonds were to bear interest and to have a due date only when the

Reparation Commission might consider that the payment of principal and interest on this additional amount was within the capacity of Germany. In order to provide for the payment of interest and amortisation of the principal of the bonds of Series A and Series B, Germany was to pay annually 2,000,000,000 gold marks and a further sum equivalent to 26 per cent of Germany's annual exports.

These findings of the Reparation Commission as to Germany's total liability and as to the rate of its discharge were communicated to Germany by the Allied Powers on May 5, 1921, and Germany's acceptance demanded under threat of military coercion.

This ultimatum was accepted by Germany, and thereupon Germany began to make cash payments in addition to deliveries in kind which had been virtually the sole mode of payment up to May, 1921. These payments prior to May 1, 1921, had fallen far below the 20,000,000,000 gold marks contemplated by the Treaty. This was due largely to the fact that the then current trade depression had resulted in values for German property surrendered which were much lower than the values contemplated when this figure of 20,000,000,000 gold marks was inserted in the Treaty.

GERMANY UNABLE TO MEET PAYMENTS

It quickly became apparent that Germany would be unable to make cash payments to the amount required by the May, 1921, Schedule of Payments. The mark continued to decline rapidly, partly in consequence of such cash payments as were made and perhaps even more on account of sales of the mark by persons who sought to anticipate that future fall which was then felt to be the inevitable consequence of the reparation demands. There set in a flight of capital from Germany, everyone seeking to exchange marks for foreign currencies. The resulting fluctuations and rapid declines of the mark created a further economic need for established businesses to carry their working capital in foreign currencies of stable value.

This rapid decline in the value of the mark created Government fiscal problems of enormous difficulty. Tax receipts fell to an insignificant value. For while tax rates were, on paper, very high, yet the resulting income to the Government was small because, by the time taxes were due and paid, the currency in which payment was made had but a fraction of the value which prevailed when the tax was levied. Thus budget deficits resulted, and the German Government, feeling unable to cope with the problem, adopted the easy way of printing an ever-increasing quantity of marks to meet its budget requirements. This inflationist policy in turn resulted in still further depreciation of the mark.

The result of all these factors quickly demonstrated to the Reparation Commission that Germany must be granted some relief in cash payments, and Allied conferences were held at brief intervals at each of which the amounts currently payable by Germany were reduced. At the Cannes Conference (January, 1922) the cash payable by Germany was reduced to 31,000,000 gold marks every ten days. Subsequently (May, 1922) the total cash amount for the year 1922 was reduced to 720,000,000 gold marks. Finally, on August 31, 1922, cash payments were entirely suspended for the remainder of the year and the balance due for 1922 was accepted in six months' Treasury bills, which were paid when they fell due in 1923. This moratorium, however, was to expire on January 1, 1923, and Germany in November, 1922, informed the Reparation Commission that she would thereafter for an indefinite period be unable to make any cash payments.

AMOUNTS ACTUALLY PAID BY GERMANY

As to the actual value of what Germany had paid up to 1923, there is great dispute due to the fact that the greater part of these payments were made in property and not in cash. The accounts of the Reparation Commission show total payments of slightly over 8,000,000,000 gold marks, whereof about 1,800,000,000 are payments in cash and the balance payments in property. These accounts do not reflect the final valuation of all items, and they embrace only what is technically known as "reparation" under the treaty as distinct from "restitution" of identical objects, payment of pre-war debts under the "clearing-house" system, etc. There is also great dispute as to the valuation placed by the Commission on property which had been delivered. The German Government claims that the total values transferred by her under the Treaty amount to over 45,000,000,000 gold marks. This estimate is undoubtedly excessive. Valuations made by independent economists of high standing place the fair value of what Germany has delivered under the Treaty at from 20,000,000,000 to 25,000,000,000 gold marks.[1]

OCCUPATION OF THE RUHR BY FRANCE AND BELGIUM

The Allied Premiers met in Paris on January 3, 1923, to deal with the situation resulting from Germany's announced intention to discontinue cash payments. At this conference each of the Governments of France, Great Britain and Italy submitted a plan for dealing comprehensively with the question of reparations and the question of inter-Allied debts, which latter subject was regarded by all of these nations as having a direct relationship to the question of reparation. Germany also had proposals in readiness which, however, were not received.

The British proposal provided for a reduction of Germany's reparation liability to the nominal capital sum of 50,000,000,000 gold marks. This sum was however subject to a further reduction to perhaps 35,000,000,000 gold marks in consequence of discount provisions which were offered to encourage Germany to make prompt payments. The British proposal further provided for a moratorium period of four years and for an Allied supervision of Germany's finances. Coupled with this proposal as to Germany, Great Britain put forward proposals as to the treatment of Allied debt. These involved a virtual cancellation by Great Britain of the debts of France, Italy and Belgium in consideration of Great Britain receiving some part of the German reparation bonds which would be attributable to these Powers.

The French proposal involved retention of the basic features of the May, 1921, Schedule of Payments, suggesting however that the 82,000,000,000 gold marks of C Bonds thereby provided for should be used in discharge of inter-Allied indebtedness. France stated that if these C Bonds would first be accepted at par by her creditors in discharge of France's indebtedness, then France would be prepared to join with these creditors in cancelling or scaling down the "C" Bonds, including those which France would still

[1] The amount of the indemnity paid by France to Germany after the war of 1870–1871 was the equivalent of 4,000,000,000 gold marks. In comparing, however, the relative burden of the two payments, allowance must be made for changed conditions. For instance, the purchasing power of gold was much less in 1922 than in 1871 and the German population is larger than was the French population which paid in 1871. On the other hand, the war of 1871 was much less exhausting, economically, than the war of 1914–1918.

own. Thus the French plan admitted the possibility of Germany's debt being reduced to 50,000,000,000 gold marks contingently upon France's Allied debts being cancelled. The French plan further provided, however, for the actual seizure by the Allies of certain sources of income within Germany, such as railroads, coal, timber, export taxes, etc., and the direct exploitation of these for reparation account.

The Italian proposal occupied a position midway between the British and French.

The difference of views between Great Britain and France with respect to this seizure of "guarantees" was in itself an insuperable obstacle to any agreement, and the conference broke up on January 10 after the Allied Premiers had concluded that there was no possibility of their agreeing. France thereupon assumed an independent initiative. Her first step was to proceed herself to seize the guarantees which had been proposed by her plan of January 1. To create a legal basis for this, the Reparation Commission by the votes of France, Belgium and Italy had first declared Germany in voluntary default as to wood deliveries and then as to coal deliveries, there being a discrepancy of some ten per cent between the deliveries made by Germany and those which had been required by the schedules of the Reparation Commission. The declaration of such default brought into play the provisions of Paragraphs 17 and 18 of Annex II of the Reparation Clause of the Treaty. These provided that in the event that the Reparation Commission should find Germany to be in voluntary default, it might recommend to the interested Powers the action to be taken and that:

"The measures which the Allied and Associated Powers shall have the right to take, in case of voluntary default by Germany, and which Germany agrees not to regard as acts of war, may include economic and financial prohibitions and reprisals and in general such other measures as the respective Governments may determine to be necessary in the circumstances."

It was the view of the French Government that the authorisation of "other measures" warranted the military occupation of German territory, additional to that west of the Rhine which was already held pursuant to Treaty authority as security for Germany's obligations, and the seizure in such other parts of Germany of what France regarded as productive sources of revenue. This construction of the Treaty was not shared by the British Government, which construed the words "other measures" as referring merely to measures of the same general character as those which were contemplated by the phrase "economic and financial."

On January 11, 1923, French and Belgian forces proceeded to extend their occupation of Germany beyond the left bank of the Rhine, and to occupy the rich industrial section of the Ruhr. Here was concentrated Germany's principal coal and iron deposits, her greatest industrial establishments and a population of some seven million persons.

The German Government and people, having been disarmed pursuant to the military clauses of the Treaty, were unable to oppose forcibly the armies of occupation. They accordingly resorted to "passive" resistance. This consisted of a refusal on the part of the inhabitants of the occupied region to conduct any activity from which the French might gain advantage. The output of coal was immediately stopped, as was the manufacture of coke upon which the French metallurgical industry was particularly dependent. The great iron and steel factories ceased operations. The French in reply threw a military cordon about the occupied area completely cutting it off from the balance of Germany and preventing any income or outgo of persons or goods, other than certain essential supplies of food. Within the area they established a *régime* of strict martial law; and mail, telephone and telegraph

communication was totally interrupted. In consequence of the measures taken by one or the other side, all industrial activity was halted and the railroads ceased to function. With this and the French requisition of automobiles, horses, etc., transportation in the occupied region became almost impossible and complete stagnation set in.

The maintenance of passive resistance, while costly to the French, imposed far heavier burdens upon the German Government. Food must be supplied to the occupied region so that the population, no longer working, should not starve. In addition, the German Government was faced with the task of maintaining the economic life of the balance of Germany which was now cut off from its accustomed supplies of coal, iron and steel. This involved large imports from Great Britain, Sweden and other foreign countries. This financial burden greatly accelerated the decline of the mark with consequent economic disturbances and loss.

FAILURE OF PASSIVE RESISTANCE

Germany early realised that she would be first to succumb in this contest which was virtually a renewal of war, and she sought to secure terms through new reparation offers to the Allies. On May 2, 1923, the German Government proposed to the Allied Governments that her reparation liability be fixed at 30,000,000,000 gold marks, and as security for such payment, Germany undertook to create mortgages upon private property in Germany, including urban and rural property and industrial enterprises, and also to pledge the Government-owned railroads and special sources of revenue, such as custom receipts, spirit monopolies, tobacco taxes, etc. This offer failed, however, to meet with a favourable reception and subsequently on June 7, 1923, the German Government, by a supplemental note, modified the foregoing proposal by agreeing to assume and give guarantees for the payment of any sum which might be determined by an impartial commission to be within her capacity. This proposal corresponded to a suggestion made by the American Secretary of State, Mr. Hughes, in December, 1922, to the effect that some such impartial determination afforded the best solution of the reparation problem. That this idea was thus taken up by the German Government was largely due to British initiative. Great Britain was anxiously seeking for a solution of the Ruhr conflict which was disrupting trade conditions throughout Europe and, at least in Britain's opinion, preventing British commercial recovery and contributing to the great unemployment which prevailed.

When Germany had made this proposal of June 7, 1923, the British Government expressed the view that at least it deserved consideration by the Allied Powers. France, on the other hand, took the position that she would not enter into any negotiations with Germany until Germany should have first unconditionally abandoned passive resistance and have begun cooperation with the French in their exploitation of the industrial wealth of the Ruhr. This difference of views between Great Britain and France was openly and sharply expressed in notes which were exchanged during the summer of 1923. This diplomatic correspondence, while otherwise fruitless, did serve to clarify the position of the French and Belgian Governments. It developed that France insisted on receiving 26,000,000,000 gold marks and Belgium 5,000,000,000 gold marks, plus any amounts which they were obligated to pay on account of their war indebtedness to their former Allies. The amount of 26,000,000,000 gold marks, representing the minimum French

demand, provided her external war debts were cancelled, was an amount calculated to represent the actual material damage done in France, exclusive of the item of pensions and separation allowances.

The German note of June 7, 1923, represented the last effort of the German Government to seek by negotiation a solution of the Ruhr conflict. The resources of the Government were rapidly waning. The Gold Reserve of the Reichsbank had fallen from about 2,250,000,000 gold marks, at the time of the Armistice, to approximately 400,000,000 gold marks and the value of the paper mark had depreciated so that millions were required to buy a dollar. It was apparent that passive resistance could no longer be financed, and in September, 1923, the German Government formally announced her abandonment of resistance and the withdrawal of all legal enactments forbidding either coöperation with the French occupying forces or the payment of taxes to the French authorities. After this surrender the German Government immediately sought to secure from the French Government a modification of the character of the military occupation so that it should be reduced to "Invisible" proportions and the way opened for the resumption of normal economic life in the Ruhr. The French Government declined, however, to have any dealings with the German Government and adopted the policy of conducting separate negotiations, with groups of Ruhr industrialists, for the resumption of deliveries in kind.

At this point, the British Government revived its former suggestion that Germany's reparation liability should be determined on the basis of an impartial investigation of Germany's capacity to pay. It accordingly invited the Allies, including the United States, to name experts upon such a commission of inquiry. The American Government expressed its willingness to act, provided this procedure met with the approval of the other Allied Powers. The Belgium and Italian Governments indicated their acceptance of the plan. The French Government, however, was fearful lest such an inquiry into Germany's capacity to pay might lead to a reduction of Germany's liability without a corresponding cancellation of the French debt to England and the United States. It accordingly attached conditions so limiting the scope of the inquiry that the American Government concluded that the purpose of the proposal was nullified and the project was then dropped.

With the failure of this effort it appeared to the German Government that the last hope had disappeared for an early comprehensive settlement of reparation which would recognise the authority and respect the territorial integrity of the German State. The German Government, unable to exercise any functions in the Rhineland and Ruhr, and unable even to negotiate regarding the fate of these provinces, acquiesced in their *de facto* passage under the control of France and freed the inhabitants to develop directly, and as best they could, some working arrangement with the French authorities.

CHAPTER XX

INTER-ALLIED DEBTS

By Bernard M. Baruch

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Wars are fought on the land, on the water, in the air, and behind the front where the civilian forces labour. It is not enough to mobilise a nation's military strength; there must be a mobilisation of its full economic resources, industrial, agricultural, and financial. These must be organised, co-ordinated, and directed with the same strategy that governs the operations of the purely military arms of the service. The World War involved not only all of the man-power, but the material resources of the participating nations. So it was soon found necessary for the stronger financial nations on each side to support the weaker nations with financial resources, goods and services — as well as with man-power. The natural theory was that each nation should finance, as in times of peace, its own necessities; but it soon became evident that requirements from outside sources could not be obtained in the usual manner (*i.e.*, offering bonds or like securities on the domestic and foreign markets) because of the deranged condition of exchanges; and so funds for Governments had to be obtained through loans of one Government to another. Thus arose the inter-Allied debts.

AMOUNTS ADVANCED

England and France were called upon early in the war to supply money for the less wealthy Allies. Most of this money was spent in the creditor countries. When America entered the war, it was found necessary to relieve the already overstrained credit, not alone of the participants who had already borrowed money from England and France, but of England and France themselves. So loans from America were negotiated to the amount of $9,842,468,566.82. Later there were added obligations for sales of surplus war materials, for relief, and for flour, bringing the total to $10,578,509.342, which together with interest made a total at the end of 1923 of $11,800,010,245. There was no thought when made that these loans would be treated differently from any other loans.

As a rule the lending nations aided their Allies in two different ways. For the articles which were purchased by their Allies within the creditor countries' boundaries, they loaned money; for the things the lending nations purchased in the debtor countries, they had to pay cash. Most of the creditor countries also sent their soldiers to the debtor territory, and not only supported them while there with munitions and food from home, but paid for such munitions, food and transportation, necessary for their troops, as

were obtainable in the debtor countries. Thus, the United States not only loaned England and France money, but in addition spent hundreds of millions of dollars in those countries for material, equipment and transportation. The other countries, when making purchases in the United States, used money they had borrowed from the United States. The United States paid cash.

Because of inability or unwillingness, the only understanding reached on inter-Allied debts has been an agreement to fund the British debt to the United States. It was the general understanding that Belgium's indebtedness to the Allies and to America was to be paid from the German reparation.

DOES PAYMENT DEPEND ON REPARATIONS?

This whole subject of the inter-Allied debts, other than those between Great Britain and the United States, was in January, 1924, held up pending the settlement of the reparation problem. France, followed by Italy, practically said to the other nations that unless Germany pays certain sums of money, it cannot, or will not, pay its indebtedness to other nations. M. Poincaré, in his note to Lord Curzon of August, 1923, said that until France should receive 26 billions of gold marks from Germany, and in addition the cancellation of its indebtedness to England and America, or the acceptance by its creditor nations of the German "C" Bonds (generally considered of doubtful value), the reparation matter could not be settled. Whereas it is perfectly true that the more Germany pays to the Allies, the more they will have out of which to pay their debts, this self-evident truth has no relation to the inherent ability of the Allies to pay their outstanding obligations. The Franco-Italian position, ignoring this economic truth, seems simply equivalent to saying that until their chief debtor pays them, they (the French and Italians) will not (not *cannot*) pay their creditors. See Poincaré note to Curzon, as follows: "While recognising our debt, while not even thinking of leaving it unpaid, we are forced to say that we can only pay after having received what Germany owes us. We shall demand from the latter, in addition to our 26 milliards of "A" and "B" Bonds, what is demanded from ourselves."

The point is often raised that if Germany's debt is scaled, why should not the debt of the Allies one to another be scaled. There would be some force in that argument if one urges that Germany be let off for less than she is able to pay, or that the recipients of the reparations be more lenient to Germany than the facts warrant. If Germany's ability to pay out of her own resources is fixed at, roughly, a capital sum of ten thousand million dollars, the taxpayers of America will want to know why France out of her resources cannot pay what she owes America.

If the *quid pro quo* for the cancellation of inter-Allied debts should be the cancellation of that portion of the German reparation liability which cannot be paid and is therefore worthless, then those creditor nations which cancel their debts are in effect paying German reparations. That would be a bad precedent to set — to make some of the victorious nations pay to some of their associates an indemnity for the nation they had conquered.

THE POSITION OF THE UNITED STATES

Some contend that the debts were incurred in a common cause, and therefore should be cancelled. Those who advance this argument must agree, however, that payment should not be cancelled where the money was used

for the purpose of increasing the borrowing nation's permanent shipping, its industrial resources, its railway equipment, or for the purpose of buying food that was resold to its own people. Nor could it be expected that, where the money was borrowed for the purchase of materials which went into the export trade of the debtor country, or to pay for material purchased in other parts of the world (usually represented by advances to support their foreign exchanges) or to purchase things which were bought after the war, any of these could be called a contribution to a common cause and therefore be cancelled. Further, if a debtor country claimed cancellation for things which were used for military purposes, it should repay to the creditor country the cash sums of money which were spent for purely military purposes in the debtor country. The United States has refused to consider the cancellation of any debts, feeling that if she should — other reasons outside — the major cost of this and all future wars would fall upon her and thus put her in a position of subsidising all wars, having subsidised one. It is true that before the United States entered the war, the Allies held an economic conference at which they declared for economic and military solidarity and the boycotting of Germany, but it is also true that at the Paris Peace Conference all of the Allies agreed, in the Economic Drafting Committee (a committee composed of representatives of the five great nations which decided what economic and financial questions should be taken up at the Peace Conference and what should not be) to recede from such position of economic solidarity and boycott of their enemies after the war. At the Paris Conference they refused to discuss cancellation or elimination of the debts, leaving that for each country to settle for itself.

THE PREREQUISITE OF PAYMENT

Undoubtedly debts incurred in the World War, based on the prices then prevailing, cannot be paid on the basis of the present prices or volume of trade; it can only be done on a far greater volume of business than has ever before been known, with the entire industrial machinery of the world operating at its fullest capacity or upon a basis of much higher prices. Consequently, there has arisen the question of the necessity of the cancellation or scaling down of these debts. Some leading financial authorities have claimed that the United States would be ruined by accepting payment of the money owed to it because that would involve a glut of gold or materials or both in the American market. But it is very difficult to understand why any man or nation would be ruined by receiving what is due. The general attitude of a debtor nation toward a creditor nation should be that of an individual debtor toward an individual creditor. Debts can be paid only by services or by commodities, and it is very unlikely that the world would be worse off if the nations set to work to produce more commodities, thereby creating greater wealth in order to pay one another. This would mean that the individuals within the nation would enjoy the use of more things than they had ever enjoyed before.

Cancellation of debts would lay an axe to the root of international finance. Many bankers in convention in America have urged the cancellation of war loans between Governments, yet they continue to offer for sale peace-time bonds of those Governments whose war debts they urge should be cancelled. They would reserve from cancellation the bonds which they, as bankers, have sold, on the argument that these are for post-war purposes. And they would be aghast at a proposal to cancel the United States bonds which were issued to obtain the money on which the foreign bonds are based and which they

and their clients hold. There can be no payment on the basis of the present gold standard of the debts between nations unless, through world-wide peace and order, mankind gets to work and commences to save and labour as it has never done before.

The United States has appointed a World War Foreign Debt Commission, composed of the Secretary of the Treasury as chairman; Charles E. Hughes, Secretary of State; Herbert C. Hoover, Secretary of Commerce; Reed Smoot, United States Senator; and Theodore E. Burton, member of the House of Representatives, to handle the matter of the Allied debts due the United States. So far England alone has settled, the other nations postponing liquidation until a more favourable time or until the German reparation question has been disposed of. It will be very severe upon the Germans to have to pay what they justly should. It will be very difficult for the debtor to pay the creditor nations; but the taxes and burdens upon the citizens of the creditor nations are just as severe and burdensome. The German reparation will have to be settled upon its merits, and so with the Allied debts.

HOW DEBTS CAN BE PAID

The payment of the debt of one country to another need not be directly by gold or exports, but it can be indirectly by exports. For instance, the United States might be paid by Great Britain or France or Italy with the things which they make; or by tea and hides from China, jute from India, tin from the Straits Settlements, or other colonial products; or by the importation into the United States of coffee from Brazil, or bananas from Honduras, the debtor nation in turn supplying to the exporting nations the things which they need; or by the export of capital to build railways, develop industries, etc., abroad, which would increase the productive and consumptive power of the world.

When an individual owes money, he works and saves and pays. The only way an individual can pay is through money or services. His services might displace somebody else's services, but the community in which he lives is better off because of his working and saving and paying, and increases with him in prosperity and contentment. So the nations of the world must work and save and pay one another. Unless the nations work and save, they cannot pay; and unless there is peace and order in the world, the nations cannot work and save.

While there is a divergence as to the loan statistics of the borrowing and lending countries, the following table of the loans is approximately correct. The table does not include loans made by Germany during the war to her allies:

Certain disparities between the figures in the following table and those in calculations from other sources will be noted in several instances. This is partly due to the fact that in some calculations all or part interest is computed, and in others it is not. In the following table accrued interest to the United States is computed, while in the case of Great Britain's loans it is only partly figured in. But, in general, the table presents as nearly accurate a schedule of the debts as it is possible to obtain. The table, however, should be considered as representing the situation to December 15, 1923, when the above article was written and the table prepared. The table is taken by permission from advance sheets of the volume *Inter-Allied Debts,* by Harvey E. Fisk, Bankers Trust Company, N. Y., 1924.

INTER-NATION INDEBTEDNESS IN 1923 DUE TO THE WORLD WAR. IN DOLLARS AT EXCHANGE PARITIES. 000 OMITTED

Lenders → / Borrowers ↓	Great Britain			Canada	France			Italy			Russia	United States			Total	Total	
	To Allied Governments Including Materials	For Relief and Reconstruction	Total	To Allied Governments Including Materials	To Allied Governments Including Materials	For Relief and Reconstruction	Total	To Allied Governments Including Materials	For Relief and Reconstruction	Total	To Allied Governments	To Allied Governments	For Relief and Reconstruction	Total	To Allied Governments Including Materials	For Relief and Reconstruction	Grand Total
British Empire				$69,721	[2]$359,823		$359,823	[3]$133,788		$133,788	[6]$1,265,160	$4,661,000		$4,661,000	$6,489,492		$6,489,492
Great Britain	$439,831		$439,831												439,831		439,831
Australia	67,198		67,198												67,198		67,198
Canada	143,459		143,459												143,459		143,459
New Zealand	57,827		57,827												57,827		57,827
South Africa	9,681		9,681												9,681		9,681
British South Africa Co.	1,946		1,946												1,946		1,946
Newfoundland	3,719		3,719												3,719		3,719
Crown Colonies																	
Total British Empire	$723,661		$723,661	$69,721	$ 359,823		$359,823	$133,788		$133,788	$1,265,160	$4,661,000		$4,661,000	$7,213,153		$7,213,153
Armenia		$4,487	4,487			$96	96		$62,634	62,634			$14,263	14,263		$18,750	18,750
Austria		62,308	62,308									190,013	28,386	28,386		153,424	153,424
Belgium		43,794	43,794	6,291	[3]711,012		711,012						264,450	454,463	907,316	308,244	1,215,560
Belgian Congo	17,275		17,275			110,782	110,782		34,843	34,843			110,906	110,906	17,275		17,275
Czechoslovakia		6,715	6,715			2,026	2,026						16,789	16,789		263,246	263,246
Esthonia		1,221	1,221										9,000	9,000		20,036	20,036
Finland								96,624		96,624		3,847,521	143,137	3,990,658	6,877,479	9,000	9,000
France	2,927,604		2,927,604	5,730					2,443	2,443						143,137	7,020,616
Franco-Polish									5	5						2,443	2,443
Germany																5	5
Greece	108,996		108,996	7,520	166,173	193	166,173	27		27		16,500		16,500	299,216		299,216
Hungary		626	626										1,989	1,989		2,808	2,808
Italy	2,568,591		2,568,591		163,857		163,857					2,015,079		2,015,079	4,747,527		4,747,527
Latvia		98	98			2,219	2,219						6,032	6,032		8,349	8,349
Liberia													31	31		31	31
Lithuania		82	82			1,158	1,158						5,978	5,978		7,218	7,218
Montenegro					2,509		2,509	3,141		3,141					5,650		5,650
Nicaragua													176	176		176	176
Poland	436	20,223	20,659			203,808	203,808		13,698	13,698			182,471	182,471	436	420,200	420,636
Portugal	99,593		99,593												99,593		99,593
Rumania	114,589	11,297	125,886	20,449	227,933		227,933	32,582		32,582		15,507	28,292	43,799	411,060	39,589	400,640
Russia	[4]4,321,976		4,321,976	55	[4]1,073,080	92,640	1,165,720	6,972	237	7,209		236,726	5,177	241,903	5,638,809	98,054	5,736,863
Serb-Croat-Slovene (including Montenegro)	127,461	10,389	137,850												127,460	10,389	137,850
Ukraine									8	8						8	8
United States								2,750		2,750					2,750		2,750
Yugoslavia																408,25	408,258
Grand Total	$11,010,182	$161,240	$11,171,422	$109,766	$2,704,387	$759,357	$3,463,744	$275,884	236	236			61,587	61,587			
						346,435	346,435	$114,104	$389,988	$1,265,160	$10,982,346	$878,664	$11,861,010	$26,347,725	$1,913,365	$28,261,090	

[1] Includes $973 million interchange of credit. [2] "Gold." [3] Probably includes some money for relief and reconstruction. [4] Including $192 million paid the Bank of France for discounting Russian Government Bonds. [5] $80 million gold. [6] Includes $973 million for interchange of credit. Balance is gold.

CHAPTER XXI

THE MADNESS OF PAPER MONEY INFLATION

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I. Conditions from 1900 to 1914

In the monetary history of the world since 1900 we start out with a basis of stability in standards and credit. This had been acquired during a considerable period of peace, and of development in methods of production, of sound finance, and credit, and in the general adjustment of prices to a gold standard by the largest commercial countries. The great fall in the value of silver since 1872 and the consequent agitation for free silver and bimetallism had spent its force by 1900. France and the Latin Union, Germany, Austria-Hungary, Japan and the United States had joined Great Britain's long-held preference for gold. In the first decades of the twentieth century there was no lack of gold and silver with which to provide a secure basis for exchanging the world's goods. Indeed, the prodigious yield of $913,000,000 of gold from 1896 to 1920 had been the greatest ever known. In 1900, gold prices of all commodities in the United States, for example, stood at about the same level as in 1890, and to 1914 they had moved gradually upwards from about 65 to 80. Industry had had no serious problem of depression to deal with, and no upheaval of prices, due to fluctuations in the value of the world's monetary standard. The steady rise of general prices in this period had acted as a gentle stimulant to production.

In the field of banking and credit normal conditions prevailed, disturbed on occasions by fear from wars in the Balkans. The Bank of England and the discount houses of London formed an organisation well adapted for carrying on the credit operations by which English exports and imports were paid for. Acceptances drawn on institutions on the Continent and in London to a very large sum were effectively handled with a minimum use of gold. Moreover, by the use of cheques drawn on bank-deposits the British public had little need of the paper money supplied by the Issue Department of the Bank of England. On the contrary, France and Germany depended on bank-notes for their circulation and very little on a deposit-currency. To the French public and the Government when loans were granted, payment was made in the form of bills of exchange or of notes of the Banque de France. An expansion of business credit in England showed itself in an enlarged discount- and deposit-account, while in France it was in an enlarged bank-note issue. The same was true of Germany and the Reichsbank. These differences were only too evident later in the World War.

During the years before the World War the quotations for foreign exchange fluctuated according to the exports and imports of goods and to the

items of "invisible exchange" within the limits set by the shipping points of gold, because foreign bills were liquidated in currencies on a gold basis.

The United States was destined to stand out in dramatic contrast to Europe in monetary and credit operations. During the first decade of the new century that country suffered from a collapse of credit (1907) which, together with earlier experiences, led to the creation of the Federal Reserve System in 1913, which was not only a reconstruction of bank-note issues, but also a reorganisation of credit with a centralisation of gold-reserves. This act was the most important in its nature and effects ever entered on American statute books. It played a momentous part in the tasks laid upon credit and money in the difficult days of war and reconstruction. Its provisions, however, are too well known to be given here.

As regards public debts and the budgetary equilibrium between national income and outgo, there was a world-tendency since 1900 to spend more than the income; but the chief offender in this respect was France which by 1914 had incurred the largest debt of any country in the world.

II. The World War the Cause of the Monetary Problems

It goes without saying that the most serious monetary problems of the first quarter of the twentieth century were born of the World War of 1914–1918. Problems, fiscal and monetary, appeared on a scale never before dreamed of, and in these days of reconstruction the nature and history of these problems are necessary to an understanding of the means by which they are to be solved. The principles of money and credit received an illustration such as the world never had before. The field, of course, is too large to be treated in detail, and we are too close to the events to obtain a wholly correct historical point of view, but it is quite possible from documents now accessible to sketch out the main outlines of the processes by which the world was penalised, and thereby to learn better how to deal with the disasters and suffering of to-day due to monetary errors.

Great as were the necessities which faced the belligerents, when obliged to pay appalling and hitherto inconceivable costs of war, perhaps the greatest surprise to the historian is the want of understanding by those guiding governmental finance in Europe, that fiscal methods of raising funds should be decisively separated from the monetary functions of the Treasury. The sad experience of the United States in 1862–1879 (to say nothing of other and earlier disastrous errors in Europe) was either forgotten or consciously disregarded in a time of emergency. Finance Ministers, even if trained, were probably too often overwhelmed by the untrained legislative majorities who in times of peril settled the policies of the State by political makeshifts rather than by monetary skill. It was obvious, of course, that the enormous costs of war could not be paid for in money, and that they could be met only by forms of credit, such as short, unfunded or long-term funded, loans, by which payment could first be postponed and then thrown forward on future generations. That has been true in the financing of all wars. But it is amazing how general was the belief that immediate needs for funds could be met by issuing demand obligations of the State in the form of paper money. Of course, such paper was a debt which could be presented at a time and manner that might be ruinous to the issuer. Consequently it was made inconvertible from the start. Such an attempt to borrow, which destroyed all the existing monetary mechanism, through the confusion of the fiscal with the monetary functions of the State, produced a situation so ruinous, nay even ghastly, that the world has never before seen its like. In the

violation of so obvious a monetary principle we find the clue to many of the worst evils from which Europe is suffering to-day. The avoidance of such a destructive policy by the United States, on the other hand, is the outstanding reason for the dramatic contrast between the condition of prosperity in this country and that of Europe.

III. The Issue of Paper Money

To the uninitiated it might seem almost incredible that so slight a matter as the resort to inconvertible paper money could prove so widely destructive. It is our duty, therefore, to analyse carefully the effect of monetary operations during the war upon the economic processes not only of exchange but of production, consumption and distribution, thus extending out into the social and political fields.

Some of us who for many decades have been studying the principles of money may have been led to think that, after all, the functions of money were secondary to the primary economic functions of production and distribution of goods. The actual existence of goods that satisfied our wants seemed of primary importance, and the means of their exchange after being produced seemed to be secondary. It seemed that so long as production was proceeding, we could get on, although with serious inconvenience, even if money failed us. If this was the conclusion, under our complex industrial and monetary organisation of society, it is now clear that it must be differently expressed. Certain of the world's monetary problems take on, if not new form, at least a new emphasis. Economic production remains fundamental, but monetary errors may have results on the primary processes hitherto not fully realised.

In the earliest attempts to exchange goods by some medium of exchange used as money, the very first requisite demanded was that it should have a well-recognised and definite value. As the outcome of centuries of experience that commodity (gold) has been chosen, by a process of elimination, as the monetary unit, which is believed to be the least subject to changes in value due to causes affecting itself. A seller always hesitates to part with valuable goods for something that may shrink in value while in his possession. This general truth holds good of all peoples at all times. It is a powerful agent in the reactions of to-day throughout Europe. Anything which changes the value of the monetary unit in which all goods are priced and all securities and contracts are drawn, will cause economic ruin comparable, in the physical field, only with an earthquake in Japan.

IV. The Results of Inconvertible Paper

When European countries, like Germany, Austria-Hungary, France, Belgium, Italy, Russia and Poland in the early days of the World War began by making their paper issues inconvertible into gold, the first costly step was taken. The error lay in the violation of the rule that no fiscal needs should be met by issuing demand obligations in the form of money. As nothing of value was given in payment by inconvertible paper the debt remained unpaid. Then at once the value of the money began to depreciate, so that the monetary unit entered upon a career of uncertainty. In excuse, the weak explanation was given that such action could not have been avoided in emergencies where large sums were immediately needed. If these sums

were needed for loans, they could have been better obtained by other credit devices than paper money. If for the needs of trade, the answer to this is that the productive sources of a country could turn out little more of the great mass of goods in war time than in normal times of peace: there was little, if any, more capital in industry and fewer workers. The metallic money and bank reserves of the world had not been destroyed. If the credit organisation had not been deranged by bad management, the mechanism of exchange would have sufficed to exchange as many goods in 1914–1918 as in the years before. That is, if not interfered with the monetary functions of the State could have worked as effectively in war as in peace.

An illustration of this truth was given by the experience of the United States after entering the war in 1917. In all she expended about $34,000,000,000 — nearly as much as any one of the belligerents — and yet she maintained the gold standard, made no issues of inconvertible paper, kept her credit organisation intact through the Federal Reserve System, and did not confuse her fiscal with her monetary functions. As a result she did not suffer disaster from the ruin of her mechanism of exchange; and at the end of the war she was able to devote herself wholly to the readjustment of industry to the demands of peace, without having first to recover from exhausting wounds in her swollen debts, abnormal prices and enfeebled credit. The quick recovery of the United States, as the creditor nation of the world, was largely due (aside from her great natural resources and managerial power) to her escape from inconvertible paper and a disorganised mechanism of exchange. On the other hand, the departure of European countries from the straight and narrow path of monetary wisdom is recorded in plain but painful suffering. It is the duty of history to point out for coming generations just how monetary errors could have produced such amazing damage as we now see in Europe.

(1) THE RISE OF PRICES

The first effect of inconvertible and depreciating paper was a rise of prices. As the paper fell in value, gold disappeared from circulation under a law as old as Thebes and Babylon. That is, a new and changeable standard of prices and contracts was introduced. The central banks of Europe held on to their old metallic reserves; but the leash that held the bank-issues to redemption was cut and they wandered off unrestrained on the easy descent to Avernus and lost values. The gold and even the small silver in the hands of the public were hoarded. Goods, therefore, priced in paper, obviously rose in prices as the standard depreciated. It is to be noted, however, that causes affecting the expenses of producing goods (such as higher wages, materials and taxes) had an influence on prices as well as causes directly affecting the standard. So that while countries holding more or less closely to the gold standard (such as the United States, Japan, Canada and the United Kingdom) suffered from rising prices due to increasing costs, those countries with a depreciated paper standard (such, for example, as France, Italy and Germany) suffered not only from increasing costs but vastly more from the necessity of expressing the prices of goods in a falling standard. The consequences are shown in the following brief table of prices for the ten years 1913–1922:

WHOLESALE PRICES

[From Federal Reserve Bulletin]

Year	United States	Japan	United Kingdom	Canada	France	Italy	Germany
1913	**100**	**100**	**100**	**100**	**100**	**100**	
1914	**98**	**95**	**101**	**101**	**101**	**95**	**100**
1915	**101**	**97**	**126**	**110**	**137**	**133**	
1916	**124**	**117**	**159**	**135**	**187**	**202**	
1917	**174**	**147**	**206**	**177**	**262**	**299**	
1918	**197**	**192**	**226**	**206**	**339**	**413**	
1919	**212**	**236**	**242**	**217**	**357**	**364**	
High	238	288	276	240	423	455	
Low	197	206	217	205	325	320	
1920	**243**	**259**	**295**	**246**	**510**	**624**	**1965**
High	272	321	313	263	588	662	
Low	189	206	243	214	434	504	
1921	**153**	**200**	**188**	**182**	**345**	**578**	**2130**
High	177	219	232	208	407	642	
Low	148	190	157	168	325	509	
1922	**149**	**196**	**155**	**165**	**327**	**562**	**32,715**
High	156	206	160	169	362	601	166,495
Low	138	183	150	162	306	524	4,217
1923	**154**						
High	159	212	157	169	424	588	16,170
Low	150	184	147	163	387	563	millions.

It is thus seen that in France the depreciated bank-notes allowed prices to rise nearly six times (to 588 in 1920) as high as in 1913, in Italy to more than six times (to 662 in 1921), and in Germany to the fantastic level of more than thirty thousand times (in 1923) and even far beyond that. Other countries, Russia, Poland, Austria-Hungary, for example, suffered likewise from the breakdown of a fixed standard. Such, then, being the facts as to the rise of prices, it is not difficult to trace the baleful results which spread ruin all over Europe.

(2) WAGES AND INCOME SUFFER

The next effect was to cut down the purchasing power of all wages and incomes. The direct cause of distress is the fact that the forces affecting the issue of paper money and its depreciation are wholly different from those fixing the rates of wages and incomes. Hence the two will not move alike. Wages may be paid by the week or month; but prices in paper fluctuate by the day or hour. A German shopkeeper closed his doors at noon in order to keep goods which he could sell at three times the price the next day. Meanwhile wages and incomes were not raised *pro tanto*. In Austria, while a loaf of bread went up to thousands of depreciated paper crowns, the labourer's wages not only did not rise in proportion, but he was too often thrown out of employment. The resulting misery and starvation, which an excessive issue of paper money brought in its train, beggars description. It was worst east of the Rhine and the Alps. The tillers of the soil, who produced their own food, got on best of all the working classes, because they

got some products without being caught in the dizzy whirlwind of changing prices. But the workers in the factories and mines caught the full force of the storm. Hence they were the natural converts to communism. Thus the ill effects of bad money spread even to a disintegration of morals and forms of government.

(3) DESTRUCTION OF THE INTELLECTUAL CLASSES

Of still greater loss to the well-being of the world was the practical destruction in many countries of the middle and intellectual classes. They suffered more because they fell from a higher level. The receivers of salaries, such as telephone and telegraph operators, clerks in stores, banks and offices, teachers in the schools, the clergy, professors in the universities, holders of scientific posts, and Government officials were paid in the depreciating money without any corresponding increase in salaries. In countries like Russia (where assassination for holding non-Bolshevistic views added its force), Poland, Austria, Hungary and Germany, the fall in value of paper so reduced the purchasing power of these classes that they have lost not only the decencies of life but lapsed into abject misery and even starvation. They have been glad to get any kind of common labour, and without the physique have been merged with the working classes whose physique is hereditary. In addition, where the Governments have become bankrupt, no salaries are paid to old incumbents, or the paper has become worthless. In Germany where the workers on the Government railways have had their money wages raised, their wages could not possibly keep up with the descent of the paper to practical worthlessness.

(4) THE FATE OF THE MARK

While the nominal value of the German mark at the end of the war in 1918 was about 7 cents (par 23.8), very great additions were made to the issues in 1919–1920, followed after the middle of 1922 by incredible sums, until finally in a single week the issue ran into the quintillions. Consequently the value of the mark has gone down to practically nothing. One cent in American money would buy upwards of a hundred million marks. In the summer of 1923, for $7 Congressman A. P. Andrew in Germany received 4,000,000,000 marks. In a restaurant the bill for a meal for two amounted to 1,500,000,000, and the tip to 400,000,000 (in all about $3). The depreciation since then makes these figures very small. By November 30, 1923, the issue ran up to $400\frac{1}{4}$ quintillions. Such being the incredible changes in the value of the standard, one can easily grasp the difficulties of doing business. Goods were marked with basic figures, multiplied by a coefficient varying with the daily or hourly fluctuation in the value of the mark. A producer, therefore, would find manufacturing very difficult if he imported materials and hired labour at one time, and at another sold his goods in paper marks. The coefficient might be marked up to cover risks of change in the money, and in the beginning industry might have become feverishly active, but in the end it became a mere gamble. The holders of marks lost, general purchasing power became attenuated, industry was checked, and employment fell off. The losses fell most heavily on the people of small means.

(5) FICTITIOUS PROSPERITY ONLY

The manner in which industrialists could save themselves and throw the losses on others was perfectly clear. Unable, or unwilling, to produce goods for export, the industrial magnates in the Ruhr and elsewhere kept workmen employed in vast new construction-projects. Corporations greatly expanded their buildings with new structures, new mills, new foundries. Everywhere were built new docks, great ships, stores, apartment houses, office buildings, and blocks of dwelling houses. Labour was kept employed in an amazing building boom in making additions to fixed capital at home. To finance such an enormous expenditure the industrialists, with the authority of the Government, themselves printed unlimited sums of inconvertible paper money with which they paid the workmen. What was the outcome? The industrialists now possess a vast increase in plant and equipment, for which they paid out paper money which cost them little or nothing. The paper became worthless in the hands of workmen or shopkeepers, while the new structures stood ready for a revival of active competition when international trade should become possible. Besides all this, the national government has expended large sums on canals, railways and public works. Likewise local governments have erected schools and public buildings. Unemployment was thus prevented. The expenditure was met, however, in currency issued by their employers, national or municipal, which later became worthless. The so-called prosperity was fictitious. Thus a depreciating and uncertain standard was used as a means of redistributing wealth, the poor and middle classes being crushed, while the industrialists emerged with more capital in the form of fixed construction.

(6) BOND-HOLDERS LOSE, STOCK-HOLDERS GAIN

The destructive effects of a fluctuating standard appeared also in wiping out the classes who depended for an income on savings or inheritances invested in homes, bonds or mortgages. Communists may enjoy this, but they cannot long enjoy the destruction of credit, private and public, which must inevitably follow. Billions of dollars were subscribed by loyal citizens to national and municipal loans. Just in proportion as they turned their wealth over in return for bonds were they sacrificed. Being redeemable, principal and interest, in paper, the value of all these securities has become practically as worthless as the paper. Corporations have been able to pay off heavy indebtedness for a song. If the question of German reparations is ever settled, Germany can then return to international competition with practically no internal debt. The amounts of these debts have been sponged off the slate by a process of confiscation at the cost of every holder of these securities. One can realise the despair and ruin thus caused by imagining what would happen if the billions of Government bonds bought during the war by patriotic people in the United States, and if in addition all State, municipal, local, and corporation bonds, were to become worthless and the holders thereof to be deprived of their income. No words could picture the universal ruin. For it should be remembered that the vast deposits of the working and thrifty classes in the savings banks could pay no interest unless invested in bonds and mortgages, and so these would also be lost. By such a process as has been thus briefly described, bond-holders lost, but stock-holders gained. Actual property in fixed forms was not destroyed, but their

ownership was transferred to others by an odious and unjust method. German banks, moreover, have raised the rate of interest on loans even to 1,800 per cent a year, but pay only 18 per cent on deposits. It would seem as if the phenomenal and almost incredible destruction following upon the incertitude caused by depreciation of paper issues has been burned so deep into the consciousness of the world that never again would it be permitted; but so short is memory, and so limited the proper training in monetary principles, that such errors are sure to recur in the future problems of the world. Nevertheless, it is best to put on record in this brief statement the fateful consequences of monetary inflation, "lest we forget."

V. The Use of Paper Money not Inevitable

It has been pointed out that the resort to dangerous issues of paper was due to the inability to distinguish between the monetary and the fiscal functions of the State in times of great need. But it is a disruption of fiscal methods, consequent on the staggering expenses of the World War, which forges to the front in every country. The balancing of the budget is at once a hope and a despair. Indeed, it has been thought by some that because of the great need inflation was inevitable. That depends. Of course it may be said that a man's mental distress may be so great that suicide is justifiable; but that is not a convincing doctrine to most men. What the man needed was a *regimen* that would restore his physique. It is likewise not certain that the fiscal need could ever be so great as to warrant fiscal suicide.

In the first place, is there no alternative to the issue of one particular form of credit (*i.e.*, a demand obligation to be used as money) in a time of emergency? On the one hand is the serious responsibility of the State to see that the steadiness of the standard is maintained and the various media of exchange are kept unhampered, to the end that, in a crisis of affairs, the productive output of the country may continue as large as possible. Such an output is the main support for fiscal measures. Then why undermine that basis by a ruinous monetary issue which would lessen production and also destroy the credit of the Government for getting other means of payment? For paper money is not the only resource available. By keeping the metallic standard intact, expenditures are not stated in swollen figures, and the power to borrow in normal ways is retained. Credit not being weakened by inconvertible paper (the last resort of a bankrupt Government), the income from taxes (which are slow in coming in) can be anticipated by short-time borrowings at home and abroad, while the large residue must be met by long-term bonds. These normal fiscal measures are the alternatives to inconvertible paper. To resort to the latter is the very way to make a resort to the former impossible. It is not a choice of comparable policies: one is temporising in the face of ruin and insolvency, the other is a way out (of course requiring courage and skill) on solid ground leading to eventual improvement of credit and solvency. Paper money is a credit device, but it is not the only one. What is wanted is not an enormous quantity of new money, but a means of payment provided by banking and credit based on sound fiscal measures. By these means a medium of exchange, expanding with the monetary work to be done, can be certainly assured, without departing from a fixed standard and so without the distinctive upheaval in prices and contracts which paralyses production and trade. The madness of paper-money inflation, as we have shown, is the very means by which an economic situation can be produced which will make the balancing of the budget im-

possible. The first condition of a balanced budget is the return to a stable standard.

Yet it has been urged in extenuation of paper-money inflation that once entered upon it is impossible to stop; as one issue results in a rise of prices, more paper is needed to do business on the higher scale, and so on. As well say that once a man begins drinking, he can never stop. The essential fallacy of this theory is that it assumes that goods can be exchanged only by forms of money passed from hand to hand. On the European continent, where cheques are little used, that may be more true than in Anglo-Saxon countries; but even there bills of exchange and transfers save the use of money. However this may be, the practical answer to this point of view is that issues of paper have, in fact, been stopped even after serious depreciation has resulted. In France, in spite of the failure to receive reparations from Germany enough to cover the restoration of devastated areas, in spite of an enormous debt-charge, in spite of an unbalanced budget, not only has the Government set its face against an increase of note-issues, but as the State repays advances from the Banque de France the quantity of bank-notes is being slowly reduced. She is trying to keep to the law requiring an annual reduction of 2,000,000,000 francs. And she resorted to fiscal means (short-time *bons de défense*) to meet her deficits until Germany would come to terms. Thus the fall in the value of the franc has been held around 4.50 cents or a little less. But, of course, the possibility of decreasing the note-issues depends on the chance of getting reparations from Germany. Likewise, Czechoslovakia, after being overwhelmed by the monetary debauch of Central Europe, has determined on a definite value of her crown (which stays around 2.90 cents). She does not pay by issuing more paper. Saved from ruinous fluctuations in prices, her production is recovering, and by fiscal measures she is obtaining income for the State at the same time that her credit abroad has so much improved that she has floated loans even in so distant a country as the United States. On the other hand, Germany, which has stupidly persisted in multiplying her paper marks to fantastic sums in order to create only false means of payment, has wiped out her middle classes, paralysed industry, lost her metallic reserves, destroyed her credit so that she cannot borrow at home or abroad, and has made a grotesque joke of taxation and her budget. She mixed monetary with fiscal measures in a deadly brew which has poisoned her whole economic system.

VI. Demoralisation of Foreign Exchanges

Following on the departure from the gold standard and directly influenced by the fluctuations of the depreciated paper (which drove out the metallic money), the derived monetary problem which has caused exceptional trouble throughout the whole world is that which is concerned with the foreign exchanges. In them the difficulties affecting internal and domestic transactions (which we have thus far been treating) have been extended to all trade with foreign countries.

In foreign trade, no matter what the variety of metallic monies, or the use of paper money, within the respective countries, gold is the only standard, the one to which all means of international payment are adjusted. The device for saving the risk of actual transfer across land and water in international trade (comparable to cheques in domestic trade) is the bill of exchange. A, who exports $10,000 worth of wheat to C in England or France, has a claim to that sum in gold in the respective country. He sells his claim

in New York to any one, such as B, an importer of rugs, who wishes to pay a like sum abroad. The bill is simply an order by A on C to transfer the claim on $10,000 to some one, D, indicated by B as the one from whom he bought the rugs. Thus one bill embodying the gold value of wheat is offset against another embodying the gold value of rugs, and no gold is shipped. In actual practice, bills criss-cross according to trade with many countries, but always require settlement in terms of gold. Redemption of this international means of payment in gold is provided by a system of "shipping points." As the mass of items in the export account from the United States may vary widely from those of imports, an excess may be due to that country (or *vice versa*). Thus the supply of bills on abroad exceeds the demand, and their price falls; but they cannot fall beyond the "shipping point," that is the point where it is cheaper to import gold than to sell bills (or *vice versa*).

It is this mechanism, thus briefly described, which has been disrupted by the departure of European countries from the gold standard. That is, the international means of payment is no longer redeemed in gold. There are no longer "shipping points." Hence, a bill drawn by us on a shipment of cotton to Germany or Austria, is no longer affected in price alone by the relative excess of exports and imports, but goes directly to that level (always fluctuating) at which a country's internal paper money is valued in gold. For instance, a bill on France is worth no more than the paper francs in which it is payable. A claim for $10,000, when the franc was at par in gold (19.3 cents), would be settled by about 50,000 francs. When the franc is worth about four and one-half cents, 50,000 francs would equal only about $2,250. To pay the American bill in gold would therefore require nearly 220,000 paper francs. The same situation holds, *mutatis mutandis*, for British, German, Italian and other foreign exchange.

As a consequence, European buyers are penalised in buying foreign goods in proportion to the fall in their foreign exchange, unless each buyer at home has given him as much more paper money as would equal the depreciation. Not only does this not follow, but the domestic value of the paper does not keep pace with that in the foreign exchange market. Moreover, the uncertain value of the paper standard causes serious speculation in exchange, based upon events which may affect the credit of the Government (such as payment of reparations, or a split in the *Entente*), but which have no relation to the movement of exports or imports of goods and securities.

The problem of the foreign exchanges comes home more practically to all countries than any other arising from a fluctuating standard, because it affects neutrals and those who were not close to the conflict. It is often regarded as one that can be solved by reaching an equilibrium between exports and imports of goods and invisible items. Of course, a restriction on unnecessary imports may help out the internal situation, because it increases saving and reduces waste. But even if an equilibrium were brought about, while the standard was yet depreciated, the rates of exchange would still fluctuate with the standard. In the interesting case of British exchange, the return to par ($4.86 2-3) is not merely a matter of equalising the items of her foreign trade, but the redemption of her bills and acceptances and her currency notes in gold. Although no such sinner as other European belligerents in issuing inconvertible paper, Great Britain did put out unnecessary Government paper, the currency notes of August 6, 1914. Some $1,400,000,000 were still outstanding in January, 1924. This was the one great monetary blunder of the British. Sterling cannot go to par until these notes are freely redeemable in gold and until London is a free gold market. Until then the British must continue to pay a heavy tax on their imports equal to the depreciation of sterling.

VII. Repudiation Inevitable

Of course, the war deranged production and markets, but the most of the difficulties in which Europe is entangled have arisen since the Armistice. The continuance of heavy military expenditures, the bitterness of national antipathies, political complications, the excessive administrative and taxation burdens, have been made an excuse especially since 1918 for using monetary forms to meet fiscal needs. Socialistic Governments have shown a peculiar tendency to mismanagement of money and finance. Public debts of Europe because of the depreciation of standards, are now drawn in figures of such fantastic hugeness that they can in most instances never be paid off at par. Repudiation in some part is inevitable, probably by so-called "stabilisation," that is, by accepting the depreciation as it stands, and thus scaling down all debts at the expense of all creditors.

The injury to production and the disruption of trade at home by monetary evils extended, as we have seen, to foreign relations. The depreciated paper could not be used in foreign payments. Germany, it is true, bought foreign currencies with paper marks, but only by cheating loyal supporters abroad into taking what turned out to be worthless. In international dealings, as we have seen, payments can be made only in the equivalent of gold. But the country swamped with depreciated paper is placed at a great disadvantage. There are only three ways of meeting international obligations: by (1) money, (2) credit, or (3) goods. In payment of imports or debts incurred by the war, such a country cannot use her depreciated money at par, and gold has been driven out. The effect of her monetary policy has indicated possible repudiation, and practically destroyed her credit. The only alternative is a return to the production of exportable goods. But to produce goods, some slight credit to buy imported materials is necessary. Hence good intentions, a fixed determination to stop printing money for fiscal uses, are absolutely essential to even a moderate start in production and the restoration of international credit. Austria went down to the uttermost depths, but by following this policy she is slowly recovering with the help of the League of Nations. Germany, after passing from one stupid blunder to another, is now drinking the cup of monetary and financial misery to the very dregs.

VIII. England, France and Germany

Inasmuch as the central banks in Europe are the institutions that supply the circulation and dominate the credit conditions in their respective countries, they have been directly and seriously influenced by the wild fluctuations of the paper standard in which their dealings and accounts are necessarily expressed. Moreover, through them, as the agents of the Governments, has the inflation of paper money taken place.

In the case of the Bank of England, however, there was no expansion of bank-notes. Throughout the war their amount ran about or under $400,000,000. They would have fully supplied all British monetary needs without a departure from the gold-standard. It was the blunder in issuing Government "currency notes" for fiscal purposes to about $1,700,000,000 that caused the depreciation of the standard at times by 34 per cent. The bank itself bore the burden of the collapse of acceptances in 1914 and supported the joint-stock banks in that emergency. The British need for media of exchange (the monetary functions) was provided through the bank's items

of discounts and private deposits on which cheques were drawn. The Issue Department functioned normally and remained intact.

The Banque de France worked in a community which did not use cheques, but which depended largely on bank-notes as a medium of exchange. No great addition to the normal circulation of about $1,200,000,000 would have been required for monetary purposes in the exchange of goods. Unfortunately, already having the heaviest public debt in Europe, the Government got advances from the bank in the form of notes until the amount of bank money issued for fiscal purposes rose to 39,645 million francs (at par $7,929,000,000) November 3, 1920. This is the centre of France's difficulty with her standard, which has been (since 1914) inconvertible paper, and has depreciated as low as 3.06 cents per franc (19.3 cents being par). She has, however, preserved her gold reserves, about $1,100 million in January, 1924, as a hope of future redemption when the Government has repaid its advances. But the public finances, partly because of Germany's default on reparations, are not in a state to warrant measures for materially reducing the issue of notes for a long time to come. Meanwhile the value of the franc remains the sport of speculation. And the bills discounted for commercial operations rose to sums far beyond the inflated note-issues because of the larger figures in which the prices of goods were counted.

The German Reichsbank provides an example of an over-praised system done to death by stupidity and misdirected nationalism. Like the Banque de France, it supplied the circulation for a country not using cheques in large quantities. The item of notes rose *pari passu* with discounts. When the Government brought to it Treasury certificates as a security for loans, bank-notes were returned. Therefore, when the Government wanted funds for fiscal purposes, the invasion of the monetary functions was shamelessly extended. The vast increase of inconvertible Reichsbank notes was, consequently, largely due to the demands of the Government and mainly since the Armistice. As if this outcome were not sufficiently fantastic, enormous quantities of loan-bureau notes (*Darlehnskassenscheine*) were issued. Even corporations and local bodies, as we have seen, printed paper marks. Nothing worse could have happened to the banking and credit system. Not only was the value of the mark reduced to practically nothing, but public and private credit was ruined. In 1923, banks charged as much as 35 per cent a day. Yet, even after the " renten-mark," based on the dubious security of enforced mortgages, was introduced, the worthless paper marks remained a legal tender for all debts. Moreover, farmers refused to part with food for money of practically no value; hence the criminal monetary policy was responsible for whatever there was of starvation in the cities. It is reported that a widow in Saxony sold her calf for 1,000,000 marks and deposited the sum in a savings bank. When she drew it out six months later, it sufficed to buy only one herring.

The fall in the value of the mark could not be attributed to the pressure of France and the Allies for reparations, because the reparations have not yet been paid. The wretched financial, industrial and social conditions of Germany are to be traced directly to issues of paper money wrongly used for fiscal purposes but entirely under the control of her own officials.

IX. The Way Out — Austria

What has been stated of typical countries thus far is also generally true, under their respective systems, of Belgium, Italy, Austria, Hungary, Czechoslovakia, Poland, Yugoslavia and Rumania. The case of Russia stands by

itself. Belgium, Italy, Czechoslovakia and Austria have stopped the printing of paper money. Their monetary units remain more or less stabilised about a figure now far below gold. In the end, the way out of the disasters brought on by an erroneous monetary policy can be best presented by the methods applied to Austria through the League of Nations.

The fundamental error of Austria, of course, was the issue of paper money for fiscal purposes. The crown fell to 1-15000 of its old value. Consequently, as in other countries, old debts were paid off for a trifle, and holders of securities lost their incomes. The State, municipalities and corporations had a clean debit sheet, because of the redistribution of wealth. The credit of the State was gone, and the expenditure far greater than the income. Railways had large deficits. Roads and buildings had been neglected for ten years. Under paper inflation there had been waste and moral delinquency. Grants had been lavishly made and officials multiplied. How was this invalid Austria treated? The Committees of the League, through Dr. Zimmermann, as a condition of granting aid, first of all stopped the issue of notes to cover fiscal expenditure. The willingness of the Government and the public to submit to the drastic measures of reform proposed immediately gave hope of obtaining a loan to cover deficits until the budget could be balanced. From September, 1922, the crown ceased to fall. A new Bank of Issue independent of the Government was established. Provided Austria would reduce expenditure and levy taxes under the supervision of the League an international loan was promised. Ministries were reduced, 100,000 officials were to be dismissed, State enterprises turned over to private management, and taxes for new revenues enacted. A loan of $126,000,000 based on customs and the tobacco monopoly and guaranteed by Great Britain, France, Italy, Belgium, Sweden, Denmark, Holland and Czechoslovakia was successfully floated. Reparations and claims were waived. Austria is carefully fulfilling her promises, taxes are increasing, deposits in savings banks are growing rapidly, foreign currencies are again appearing, capital is returning. The Bank of Issue is building up a respectable cash reserve, deficits are falling, the separation of monetary from fiscal functions has been thoroughly established, and conditions are thus provided for the crowning work of reëstablishing economic production which underlies all permanent prosperity. The interdependence of industries and communities will aid neighbouring countries and they in return will react favourably to Austria. Such is the road which stiff-necked Germany must eventually tread.

X. A Contrast — The United States

In dramatic contrast to the misery of Europe stands the prosperity of the United States. She illustrates not primarily the way by which Europe may work out from its disasters, as in the case of Austria, but the way by which, in spite of vast war expenditures, those disasters might have been avoided by fortunately not confusing the monetary with the fiscal functions of the State. Although in the Civil War the United States sinned by issuing inconvertible greenbacks (1862–1879) and suffered accordingly, in the World War the use of paper money for fiscal purposes was never discussed and by general acquiescence the gold standard was never departed from. The United States deserves no great credit for consciously avoiding possible disasters, but the fact remains that they were avoided. As always, the preservation of a gold standard in the midst of depreciated currencies brought to America the gold driven out of other countries and swelled American bank reserves

to an unprecedented level. The saving grace of the new Federal Reserve System strengthened and unified credit. The stable standard encouraged enormous savings, and the vast field of investments was protected from the extreme fluctuations common to European countries. The United States was thus able to lend to others, and the American dollar has become a symbol of solidity in the foreign exchanges. Prices have changed according to changes in costs, but not because of changes in the standard. The inevitable readjustments of industry from war to peace were not complicated by a social redistribution of wealth and the wiping out of all debts. Hence, after the financial readjustment of 1921, the essential factors of production were unshackled and ready for a prosperous future. The war taxes sufficed to cover normal annual expenditure soon after the Armistice. The budget has been balanced. The huge floating debt has been skilfully refunded by Secretary Mellon. Thus since 1917 the enormous expenditures of the United States amounting to about $34,000,000,000 have been met by legitimate fiscal measures (short or long-time loans) without the chaos due to paper inflation which was inflicted on European nations. The experience of the United States, therefore, as opposed to that of Europe presents a practical lesson in sound monetary policy far more impressive than any that could be gained from argument. For decades to come it will remain the outstanding monetary lesson from the World War.



CHAPTER XXII

TAXATION BEYOND ALL PRECEDENT

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I. The Developments to the World War

From the beginning of the century to the outbreak of the war, the progress in the democratic movement resulted almost everywhere not only in a great increase, but also in a notable change, of taxation. Among these changes were the introduction or expansion of the inheritance and the income tax, the adoption of differentiation and graduation, the imposition of land-value or unearned-increment taxes, and the emphasis on direct taxes on wealth, contrasted with indirect taxes on commodities or transactions.

THE UNITED KINGDOM

In 1900 out of a total revenue of about £130 million, the tax revenue was almost £110 million, of which the excise contributed about 38, the customs 24, the income tax 27 and the death duties 18 millions. Adding about £52 million of local taxation (from public rates, tolls and duties) would bring the total tax burden in 1900 to about £162 million and in 1907 to about £175 million.

As a result of the Boer War the general tax revenues (exclusive of local rates) in 1902 were increased to about £132 million. These figures changed but little for the rest of the decade. Then came the contest over the Budget of 1909 and the agitation for augmented revenue, due partly to the addition to the naval estimates, partly to the new legislation for old-age pensions and national insurance. The result was that by 1913–1914, the last full year before the war, taxation yielded about £163 million. Inasmuch as the local rates now amounted to £82¼ million and the other local duties to £10½ million, the total tax burden may be put approximately at £256 million in 1913–1914.

The salient facts in the character of taxation during this period deserve mention. Great Britain had for some time observed the policy of trying to keep a fair balance between direct and indirect taxes. From the budget reform of Harcourt in 1895 up to 1909, the increased revenues came almost equally from these two classes. When Lloyd George found that he needed about 14 millions more to carry out his programme, he decided that a little over one-half should come from indirect taxes. He accordingly provided for

an increase in customs duties, liquor and tobacco excises and in the motor-car tax as well as for additional stamp duties and a new tax on petrol or gasolene.

The chief interest of the new budget lay, however, in the direct taxes. A beginning had already been made in 1907, when the principle of differentiation was introduced into the income tax. That is to say, a distinction was now made whereby "unearned" was taxed at a higher rate than "earned" income. In the same year a considerably steeper scale of graduation was applied to the estate duty.

In the Finance Act of 1900–1910, not only do we find an extension of differentiation, but the graduated principle was now applied to the income tax, through the device of the so-called supertax. Moreover, on the smaller incomes, in addition to the abatements then in force a reduction was introduced for each child under sixteen. Thus at both ends of the scale modifications of the income tax were provided which were designed to realise a greater approximation to the principle of ability to pay.

Another change was the steeper graduation now introduced in the estate duty, with the result that the inheritance tax, or combination of death duties, now presented a progressive scale running up to twenty-five per cent. The most significant feature of the budget — and the true cause of the resistance by the House of Lords, which led to the epoch-making constitutional changes of the following year — was the introduction of the new land taxes — the undeveloped land duty, the increment-value duty, the reversion duty, and the mineral-rights duty. These taxes, however, met with a most obstinate resistance, so that the annual expenses of valuation exceeded the insignificant returns. As a consequence, all attempts to enforce the law were discontinued in 1920.

FRANCE

The French tax system in 1900 was composed of both direct and indirect revenues. The four major direct taxes were the so-called "real" taxes (*impôts réels*) or taxes on things, rather than on persons — on real estate, on business (*patentes*), on doors and windows, and the so-called *contribution personnelle et mobilière* or combination of a rentals with a head tax. To these must be added the so-called assimilated taxes (on carriages, horses, clubs, and including a variety of fees) with a minor yield. The indirect revenues included registration and stamp taxes, customs duties, taxes on drinks, salt, vinegar, candles and playing-cards, as well as taxes on securities and successions which in other countries would be classed among the direct taxes. Finally the monopolies included those on matches, powder and tobacco, the last being of considerable fiscal importance. In 1900 out of a total revenue of 3,815 million francs the tax revenues were over 3,100, of which the so-called direct revenues supplied over 524 millions. The local taxes (departmental and communal) were derived from the so-called additions (*centimes additionnels*) to the four direct state taxes and from the local customs (*octrois*). These amounted in 1900 to about seven hundred millions, bringing the total tax burden to about 3,900 millions of francs.

The situation in France during the period up to the World War suffered but little change. The growing democratic movement, indeed, caused an increasing interest in the endeavour to abolish the taxes on produce, or real taxes, and to replace them by an income tax. In 1899 under the Ministry of Waldeck-Rousseau, M. Joseph Caillaux introduced a bill for an income tax designed to replace the door and window tax as well as the personal-movables tax. Under the succeeding Ministries, especially those of

Rouvier and Poincaré, more extensive methods of reform were proposed. In 1907 Caillaux again became Minister in the Clemenceau Cabinet and within a few years forced through the Chamber of Deputies a comprehensive income-tax bill. From now on the agitation grew to have the project accepted by the Senate. It was not, however, until 1914 that the income-tax law was enacted by the Parliament. But the outbreak of the World War caused its postponement until 1916. Under the new law the income tax was to be composed of a series of schedule taxes (*impôts cédulaires*) on each constituent source of income, and a general or supplementary graded tax upon the entire income. The income tax was to replace the four direct taxes, the assessment of which by the State was, however, to be continued temporarily for departmental and communal purposes.

The other changes of importance during this period affected the inheritance and the land tax. The scale of the inheritance tax was increased in 1901 and 1902 and again in 1910, the direct tax now rising to six and one-half per cent, and the collateral tax to twenty-nine per cent. Finally, the law of 1914 converted the tax on unimproved real estate from an apportioned to a percentage tax, at the rate of four per cent on rental value; and increased the tax on improved property to the same figure.

From 1901 to 1913 the total revenues grew from 3,576 to 5,092 million francs. While the revenue from direct taxes increased only moderately, namely from 532 to 634 millions, the revenue from the indirect sources increased from 1,964 to 2,890 millions, and the revenue from monopolies from 746 to 1,035 millions. The greater part of the augmented revenues were thus being derived, in contradistinction to the British system, from indirect sources. It was this consideration among others which played a rôle in the growing demand for an income tax.

If we attempt to estimate the total tax burden, we must include the local revenues. The total local receipts, departmental and communal, grew from 1,128 in 1901 to 1,684 million francs in 1913. The tax revenues, composed of *centimes additionnels* (or supplements to the four direct state taxes) and *octrois* or municipal customs duties, grew from 707 to 943 million francs. As a result, the total tax burdens — state, departmental and communal — increased from about four thousand million francs to over five thousand million francs.

GERMANY

In Germany, as in the United States, we have to deal with both Federal and State Governments. In 1900 direct taxation was still reserved for the states, the Federal Government depending on custom duties and internal indirect taxes, chiefly on spirits, tobacco and sugar and including stamp taxes. To make up the deficiency in the revenues, recourse was still taken to contributions from the states (*Matrikularbeiträge*) partly covered, however, by allotments (*Ueberweisungen*) or grants from the Federal to the State treasuries. In 1900 the State contributions of 528 millions were almost balanced by Federal allotments of 508 millions. Out of a total Federal revenue of 1,998 million marks, the tax revenues amounted to about 887 million marks. Inasmuch as the State tax revenues aggregated about 550 millions and the communal taxes to about 800 millions, the total tax burden in Germany in 1900 was about 2,200 millions of marks.

The system of Federal grants to the states began to introduce considerable confusion into the state budgets, as the states could never tell exactly how much was coming to them. Accordingly, in 1904, the system was

abolished so far as concerns surpluses from customs and the tobacco tax, leaving only some of the stamp taxes and the spirits tax subject to the old arrangement. In 1906 the increasing needs of the Federal Government led to a number of new taxes, so that the Federal tax system henceforth comprised customs duties, taxes on tobacco, spirituous and malt liquors, sugar, salt, playing-cards, stamp taxes on securities, sales, lotteries, and railroad transportation. A new feature, moreover, was the Federal collateral inheritance tax, ranging from 4% to 25%. This, however, was to be levied by the separate states, who were now to abandon their own recently adopted inheritance taxes, and to turn over two-thirds of the yield of the new tax to the empire. The law also provided for a postponement (*Stundung*) in the payment by the states of their contributions, whenever the excess of contributions over Federal grants should amount to more than 40 pfennigs per head.

This change, however, did not suffice, and the growing needs of the Federal Government were sought to be met by the laws of 1909. These provided for increased taxes, the settlement of the fiscal relations between the empire and the states and the adoption of a Federal unearned-increment tax.

All the old taxes were increased and new taxes were imposed on dividends and interest (*Talonsteuer*), transfers of real estate, electric lamps, and bank deposits. Moreover, three-quarters, instead of two-thirds, of the inheritance tax was henceforth reserved for the empire. So far as the relations of state and Federal finance were concerned, the imperial grants were limited to the net yield of the tax on spirits, and the "uncovered" contributions were increased from 40 to 80 pfennigs per head. The unearned-increment or land-value tax which had begun as a local impost in Frankfort in 1904, had spread rapidly throughout Germany. The law of 1911 provided for a Federal tax to replace the state and municipal taxes. To this extent the empire now started on a policy of direct taxes. As a result of all these changes, the Federal tax revenues in 1913–1914 grew to 1,960 millions.

So far as concerns state and local revenues, the movement initiated in Prussia in 1893, which tended to replace the taxes on produce by an income tax, now spread so that by the end of the period the reform had been almost everywhere accomplished. The state tax revenues increased to 1,140 millions in 1913, and the communal taxes to 1,378 millions. The result is that the total tax revenue of Germany increased during the period from a little over two thousand millions to about four and a half thousand millions of marks, of which a little over two thousand millions came from direct taxes.

UNITED STATES

The relative increase in taxation here was less marked than in the other countries, the real significance of the period being found in the change in character rather than in amount of taxation.

After the Spanish War the American Federal revenue system reverted to its customary form of customs and internal excises. The movement, however, to defray a part, at least, of the expenditures out of direct taxes, which had been checked by the Supreme Court decision in 1895, declaring the income tax unconstitutional, now acquired increasing momentum. The agitation in Congress assumed the form of a demand for a Federal inheritance tax and so much of an income tax as might be possible under the Court decision. The movement culminated in 1909, in the enactment of a tax on corporate incomes, called an excise or indirect tax in order to come within

the constitutional inhibition. The agitation for a constitutional amendment, however, grew until the Sixteenth Amendment was adopted in 1911. This was followed by the enactment in 1913 of a Federal income tax, levied on individuals and corporations alike. With this change a new chapter in American fiscal history begins.

In the state and local revenue systems there was also a change going on. While the general property tax remained the chief source of revenue, we have to note a multiplication of the inheritance taxes, both direct and collateral, with a considerable rise in the scale of graduation. Increasing reliance was also now put by a number of the more progressive states upon corporation taxes. Finally, the movement in favour of imposing income taxes culminated in the year 1911, when Wisconsin introduced both a personal and corporate income tax to be levied by the State rather than the local authorities.

The Federal tax revenues amounted in 1901 to 546 million dollars (exclusive of the Post Office), and in 1913 to 724 millions (plus 267 from the Post Office). The state and local tax revenues are given by the decennial census as 895 million dollars in 1903, so that it would be safe to put them at about 850 millions in 1901. This would make a total tax revenue — Federal, state, and local — of about 1,400 millions. From 1903 to the World War the burden of state and local taxation increased at a faster rate than the Federal burden, the former growing from 886 to 1,459 millions, the latter from 505 to 661 millions; with the result that the total tax revenue — Federal, state, and local — increased to 2,250 millions. This progression is not so rapid as in some of the other countries. The explanation is to be found in the fact that the burdens of military preparation were not growing to the same extent as in Europe.

II. The Period of the World War, 1914–1918

The war broke out in August, 1914, and ceased in November, 1918. The war years are therefore taken as the five years, 1914–1918; and inasmuch as the fiscal years of Great Britain and Germany end on March 31 and that of the United States on June 30, the fiscal year 1918–1919 is counted in the war years of those countries.

The stupendous expenditures of the war were met only in small part by taxation. In France the occupation of some of the richest provinces by the enemy as well as the political conditions rendered it impossible to defray any of the war expenses from taxation. The newly imposed taxes were scarcely sufficient to compensate for the deficit in revenues caused by the occupation. In Germany the expectation of speedy victory and of the imposition of tributes upon the conquered peoples prevented for some time any increase of taxation; it was only in the closing years of the war that substantial additions were made to the Federal tax burden. In the separate states and communities, however, there was a great increase of the tax burden from the beginning. In England and the United States, considerably larger sums were derived from taxation, although here also the overwhelming proportion of the war expenses was met by loans. The proportion of net war expenditures defrayed from war taxes for the entire period of the war was in fact only about 17% in Great Britain and 21% in the United States. But so stupendous were the actual sums required that the burden of taxation in both Great Britain and the United States was enormously increased.

GREAT BRITAIN

The British revenues, exclusive of loans, rose from £198 million in 1914 to £889 million in 1919, and the tax revenue jumped from £163 million in 1914 to £784 million in 1919. To these figures should be added, in order to obtain the total tax burden, the local rates and duties. These, however, increased only slightly, namely from £92.6 to £113.1 million. The total tax revenues of Great Britain, therefore, grew during the war period from £256 to about £897 million.

In 1914 the customs were increased on tea, and both the customs and the excise on beer. In 1915 came an increase of customs on coffee, chicory, cocoa, sugar, molasses, glucose, saccharin, dried fruits, tobacco and motor spirits and a further increase on tea; the excise duties were raised on coffee, chicory, motor spirits and medicines; new customs duties were imposed on motor-cars, musical instruments, clocks and cinematograph films; and new excises were levied on sugar, molasses, glucose and saccharin. In 1916 both customs and excises were further increased on coffee, chicory, cocoa, sugar, molasses, glucose, saccharin, mechanical lighters and matches; new customs duties were imposed on table waters and cider; new excises were levied on matches, table waters, cider, perry and motor spirits licenses, and a tax on entertainments was introduced. In 1917 the entertainment duty was increased, as was also the customs and excise on tobacco. Finally in 1918 there came an increase of the customs on spirits; of both customs and excise on immature spirits, tobacco, beer, sugar, molasses, saccharin and matches; as well as an increase in some of the stamp duties.

The chief reliance, however, for meeting the war expenditures was placed on the excess-profits tax and an augmented income tax. The rate of the war-profits tax, beginning at 50% in 1915, was increased to 60% in 1916 and to 80% in 1917. The income tax was increased in 1914 to a normal rate of 1s. 3d. plus a supertax running up to 1s. 4d., or a total of 2s. 7d. (12 11-12%). In 1915 the exemption was reduced from £160 to £130, and in 1916 the rates were increased to 3s. 6d. normal and 5s. supertax, or a total of 8s. 6d. (42½%). Finally, in 1918, the rates were increased to 4s. 6d. normal and 6s. supertax, or a total of 10s. 6d. (52½%). Moreover, the estate duty which since 1909 had been assessed at a rate of from 1-15% (on estates over one million pounds) was now increased to a maximum of 20%. The result was that by the end of the war from a quarter to a third of very moderate incomes and over a half of the larger incomes were taken by the State; and in the last year of the war over three-quarters of the tax revenue was derived from direct taxes on wealth. The burden had now become a crushing one.

FRANCE

In France, largely for the reasons adverted to above, the increase in taxation was much slighter. It was not until 1916 that the general income tax was put into operation, the war-profits tax introduced (at the rate of 50%), and the alcohol tax augmented. At the end of the year certain of the *taxes assimilées* were doubled; the taxes on securities, sugar, tobacco and beverages were increased; while new taxes were imposed on pharmaceutical specialities, mineral waters, amusements and coffee, cocoa and chicory. Finally, the income tax had its rate increased to 10% and the minimum of exemption decreased to 3,000 francs. The war-profits tax was increased to

80% and "an exceptional war tax" of 12 fr. plus 25% of the general income tax was introduced. In 1917 the "scheduled" income taxes were introduced, with rates of from 3¾%–6%, while the rate of the general income tax (*impôt global*) was raised to 12½%. Abatements were granted on incomes from 3,000 to 150,000 frs., at which figure the full rate began; and reductions were introduced, running up to 50% for six children or other dependents. The same year witnessed an increase in the taxes on land, matches and successions — the latter being raised to a minimum of 36% on distant relatives. The war-profits tax was increased to 80%, and a new tax on payments was introduced. Finally, in 1918, the income tax was raised to 20% and substantial increases were made in the taxes on tobacco, sugar, drinks, chicory, vinegar and transportation. An increase was also made in some of the assimilated revenues, a new tax was imposed on life insurance, and a luxury tax was introduced, running up to 20%.

As a matter of fact, however, for the first two years of the war the yield of both the direct and the indirect taxes was actually less than before the war. In the subsequent years the chief increases came from the customs duties, the income tax and the war-profits tax. But even then the total increase of taxes was comparatively slight, growing from 2,921 million francs in 1914 to 3,311 millions in 1916 and to 5,308 millions in 1918. Owing to the war, moreover, the local revenues from taxation remained about the same (899 millions in 1914 and 911 millions in 1918), while the proceeds from *octrois* actually decreased, owing largely to the occupied districts.

The total tax burden in France at the end of the war period may therefore be put approximately at six and a quarter thousand (6,259) million francs as compared with somewhat over three and three-quarter thousand millions in 1914; and with over five thousand millions in the year preceding the war.

GERMANY

The first two years of the war witnessed a diminution of the tax revenues, Federal tax revenues falling from 2,417 million marks in 1914 to 1,577 millions in 1916; and the state tax revenues increasing only from 1,113 millions to 1,310 millions, thus making a total decrease from 3,530 to 2,887 millions. In 1916, however, came a recognition of the inevitable and the decision to augment taxes, especially as the customs revenues had shrunk enormously owing to the war. In 1916 the postal, telegraph and telephone charges were increased, the tax on tobacco was augmented and a sales tax imposed. In 1918 heavy taxes were imposed on coal and railway traffic, and the duties on tea and coffee were raised, new taxes were imposed on wines, mineral and artificial waters, an increase was effected in the beer tax as well as in the stamp taxes, especially bills of exchange, the postal telegraph and telephone charges were again raised, the turnover tax was increased to a half of 1%, with 10% on luxuries, and the brandy monopoly was introduced.

In the meantime direct taxes had been levied. The Federal Government had enacted in 1913 a non-recurring defence contribution (*Wehrbeitrag*) imposed at a comparatively low rate, on both property and income. In the same year provision was made for the *Besitzsteuer*, or tax on the increment in the value of property, to be levied in 1917 and thereafter. Now in 1915 an annual war tax was levied on the Reichsbank and in 1916 an Imperial war-profits tax was imposed, consisting of a levy on the increment of property in cases not subject to the *Besitzsteuer* and rising to a rate of 50% on the highest increments. In 1917 this tax was increased 25%. Finally, in 1918, a non-recurring extraordinary war tax was imposed on both property

and income, the property tax rising to 5%, the excess income tax to 50%. The state and local taxes on income and property were also considerably increased.

As a result of these measures the Federal taxes yielded almost three times as much in 1917 as in 1914, increasing from 2,417 to 7,274 millions. Inasmuch as the state taxes also rose in 1917 to 1,534 millions the Federal and state tax revenues amounted in 1917 to 8,808 millions, and in 1918 to 8,139 millions. In order to ascertain the total tax burden at the close of the war it would be necessary to add to the Federal and state taxes, the local taxes. Unfortunately, exact figures for this are not yet available. A fair estimate, however, based on the figures of 1913 and on the assumption that local taxes increased in a little larger proportion than the state taxes, would put the local tax burden in 1914 at about one and three-quarter thousand millions and in 1919 at about three thousand millions. This would bring the entire tax burden — Federal, state, and local — from about five and three-quarter thousand million marks in 1914 to about eleven and a quarter thousand millions in 1918 — a very much greater increase than in France.

UNITED STATES

Although the United States did not enter the war until 1917, the financial disorders in Europe so seriously affected current revenues that an addition was imperatively needed. The emergency revenue law of 1914 accordingly increased the taxes on beer and tobacco, and imposed a variety of stamp taxes. In 1916 the scale of progression in the income tax was made sharper with a 2% normal tax and a surtax rising to 13%. Furthermore, provision was made for an estate tax, running up to 10%, a munitions manufacturers' tax, an excise tax on corporations, and a series of special taxes. In 1917 an excess-profits tax of 8% was imposed, and the scale of the inheritance tax increased to a maximum of 15%. After the entrance of America into the war in 1917 new taxes were imposed on excess profits, transportation, sales, stamps and admissions, together with a great increase in the taxes on income, tobacco and liquors. Finally, in 1918, the existing taxes were in many cases more than doubled, and a multiplicity of excise and miscellaneous taxes were imposed. The income tax was increased in 1917, to a normal tax of 4% and a surtax of 65%; in 1918, the normal tax was further raised to 12% thus making a total maximum tax of 77%, the highest yet reached by any country in the world.

As a result, by the end of the war, although the customs revenues declined from 210 million dollars in 1915 to 183 millions in 1919, the internal revenue had multiplied more than ninefold, increasing from 416 to 3,840 millions. The total Federal tax revenues grew from 627 millions in 1915 to 4,089 millions in 1919.

In order to ascertain the total tax burden, it would be necessary to add to the Federal statistics those for the states and the localities. Complete figures are, unfortunately, lacking. All that we possess are the statistics of the revenues of states and of cities over thirty thousand, in 1919. These revenues amounted to 1,403 millions. We possess, however, the census figures of all state and local tax revenues for 1922. If we assume that local taxes grew in the war period at a similar ratio to the growth of state taxes, the combined state and local taxes would have increased in 1919 to about 2,617 millions. Adding to this the Federal taxes as above would bring the total tax burden in 1919 to about six and three quarter (6,706) thousand millions.

III. The Post-Bellum Period

Many of the war expenses did not cease with the Armistice. It took some time for the armies to be demobilised and for conditions to return to a fairly normal state. Moreover, the stupendous war debts called for gigantic sums to provide for interest and amortisation. As a consequence, the expenses actually increased in some of the countries; and especially with the falling off in new loans, there was everywhere at first a necessity for augmented taxes. It was not for some time that it became possible to introduce a period of gradual reduction.

The increasing revenues immediately after the Armistice were due to new and higher taxes. The new taxes are found primarily in France and in Germany, with a sales tax in France and a whole host of new taxes in Germany. The increase in the rates of existing taxes is found primarily in the income tax, which in 1920 reached its maximum in England and the United States and was greatly increased in both France and Germany. The inheritance tax underwent a substantial increase in Great Britain, the United States, and Germany in 1919. But the chief cause of the greater tax revenues immediately after the war was the legislation of 1918 mentioned above, which now showed its fiscal effects.

The result was a scale of graduation never before attained. By 1920 the progressive rate in the income tax had reached the maximum of 77% in the United States and of 60% in Great Britain, France and Germany. In the inheritance tax the rate in Great Britain had risen to a maximum of 50% (40% for the estate duty plus 10% for the legacy and succession duty); and in the United States to a maximum of 25%, to which should be added the state inheritance taxes, a few of which reached a maximum of 15% in the direct line, and of 30% in the collateral line. In Germany the law of 1919 increased the maximum inheritance tax rates to 70% together with a possibility of local additions. In France the law of 1920 increased the tax on the estate to a maximum of 39% and on the shares to a maximum of 59%. As this would have made possible a total tax of 98%, it was provided that in no case should the tax exceed 80%. The excess-profits tax which in Great Britain had been reduced in 1919 to 40% was increased in 1920 to 60%. In France it had stood since 1917 at 50%–80%, and was raised to the same figures in Germany in 1919. Finally, the capital levy was introduced into Germany in 1919 through the Imperial Emergency Sacrifice Tax (*Reichsnotopfer*) with rates 10–65%, and in Italy in 1920 with the rates 4½%–50%. The high-water mark, however, was reached by the German law of 1919 which imposed a property-increment tax (*Kriegsabgabe vom Vermögenszuwachse*) ranging from 10 to 100%. A similar tax imposed in Italy in 1920 (*Imposta straordinaria sul patrimonio*) went up as high as 80% of the assessed valuations.

The peak was reached in the United States in 1920 after which a reduction was made in both the income and the excess-profits taxes, followed later by the decrease or abolition of other taxes. In England the peak was reached in 1921, in France not until 1922. By that time the excess-profits taxes had been everywhere abolished, and gradual remissions were being made in other taxes.

UNITED KINGDOM

The total revenues for each of the five years 1920–1924 were £1,340, £1,426, £1,125, £914 and £853 (estimated) million, of which the tax revenues were respectively £999, £1,032, £857, £775 and £732 (estimated) million.

The reduction in expenditure made possible the decrease of the normal income tax from 6s. to 5s. in 1922 and to 4s. 6d. in 1923, thus reducing the maximum rate from 60% to 52½%. But for the funding of the British debt to the United States in 1923, it would have been possible to make a further substantial reduction. The excess-profits tax was reduced from 5d. to 2½d., and reductions were made in some of the beverage taxes and the entertainment duty.

The abolition in 1920 of the land-value taxes was, however, not due to fiscal reasons, as the small revenue had been more than counterbalanced by the cost of assessment. On the other hand, the estate duty was raised in 1919 from a maximum of 20% to 40%, applicable to all estates over two million pounds.

It was during this period that the great increase in local rates took place. In Great Britain alone (excluding Ireland) these amounted in 1922 to £192,008,000. Assuming that the total local taxes amounted to about £200 million in 1922, to £225 million in 1923 and to £250 million in 1924, this would bring the total tax burden in Great Britain in 1921 to almost £1.250 million, in 1922 to about £1,060 million and in 1923 to about £1,000 million, and in 1924 to about £980 million.

FRANCE

The tax revenues increased from a little over 9 milliards of francs or, in exact figures, 9,180 millions in 1919 to over fourteen milliards in 1920, to about sixteen and a half milliards in 1921; and while they grew to about nineteen and a half milliards in 1922, they receded in 1923 to about sixteen and a half milliards.

The local tax revenues amounted to 1,048 millions in 1919, to 1,606 millions in 1920, and to 1,999 millions in 1921. Assuming that they amounted to about 2¼ milliards in 1922 and about 2½ milliards in 1923, this would bring the total tax revenues of France in 1922 to a little under twenty-two milliards, and a little over nineteen milliards in 1923.

This increase during the past few years has been due to various causes. The chief source was the war-profits tax which, although reaching its peak in 1920, continued to yield almost as much revenue in 1922. A close second was the sales tax (*impôt sur le chiffre d'affaires*) introduced in 1920, at rates running up to 10% according to the character of the goods sold, with a tenth additional for local purposes. Of growing importance was the income tax, which had been increased in 1920 so that the rate of the scheduled taxes varied from 6 to 10% and that the rate of the general income tax graduated from 2%–50%, with 10% additional for childless married persons, and 25% additional for bachelors and childless divorcées, this making a total possible rate of 72½% on incomes over 550,000 francs. Moreover, in 1920 the rates were increased on certain registry and stamp taxes, as well as on drinks, alcohol, amusements, sugar, chocolate, tea, pepper, vanilla, gasolene and automobiles. The turnover tax was considerably increased, and the inheritance tax was raised to a maximum of 39% on the estate and 59% in the share, mak-

ing a possible tax of 98%. To obviate this, the maximum was fixed at 80%. Finally, in 1923 still further increases were made in French postal charges.

In considering these figures it must be remembered that it has only now (January, 1924) been possible for France to balance its ordinary budget. The extraordinary budget for reconstruction which up to 1924 aggregated a total of about one hundred thousand millions (milliards), will, it is hoped, some day be repaid by Germany out of the reparation fund. But in January, 1924, owing to the fall of the franc, a 20% increase of taxation was proposed, with the suggestion that the extraordinary budget for reconstruction should thereafter be met out of this increase of tax revenues. Early in 1924 the franc fell to about 3.10 cents, but the measures taken to restore its value brought it back to 4.72 cents by March 15.

GERMANY

After the war the taxes were greatly increased. In 1919 the tax on tobacco, as well as postal charges were again raised, new taxes were imposed on playing cards, illuminants and real-estate transfers, and the turnover tax was raised to 1½% with 10% on luxuries. The Federal inheritance tax was graded up to 70%, and an excess income tax for the year was graded up to 70% for individuals and up to 80% for companies. A special tax was imposed on the increment of property, running up to 100% on sums of 375,000 marks, and an Emergency Sacrifice tax (*Reichsnotopfer*) or capital levy was assessed, running up to 65%. In 1920 the postal charges were again raised, and the tax on sparkling wines increased. The income tax was raised to a maximum of 60%, and a new tax in interest (*Kapitalertragsteuer*) was introduced. In 1921 a further raise was made in postal charges and in the stock-exchange tax. In 1922 a compulsory loan, running up to 10% of the property, was levied, the companies tax was raised to 20%, the capital levy was graduated from 1 to 10%, and the capital increment tax was fixed at the same rates. Finally a 25% tax on house rents was imposed to aid in the construction of new buildings. In 1923 additions were made to the taxes on beer, wine, mineral waters, transportation, tobacco and matches, the stamp taxes were raised and the coal tax was doubled (to 40%). The turnover tax was increased to 2%, with 15% on luxuries, and a new tax on admissions was levied.

The most important change, however, consisted in the centralisation of the tax system. After 1920 all taxes except those levied by the states on land and business, and by the communes on land-increment and minor sources were to be levied by Federal officials. In order, however, to provide an adequate revenue for state and local purposes, it was decided that a share of the Federal revenues should be distributed to the localities. In the income and the corporation tax, the national Government retains only one-third; in the inheritance tax the states receive 20%; in the land-transfer tax 50%; in the sales tax 20% and the localities 5%. As a result of these measures, the Federal tax revenues aggregated 9.2 thousand million (milliard) marks in 1919, 53 in 1920, 149.6 in 1921 and (estimated) 1,071.6 milliards in 1922 and 5,640.9 milliards in 1923–1924. Adding to the Federal figures the state and local tax revenues for which no exact figures are yet available, the total tax burden in 1921 was about 200 thousand millions of marks. It must be remembered, however, that this period witnessed the collapse of the German currency, which, beginning in 1920 and 1921, assumed cataclysmic proportions in 1922, until in the early part of 1924 it took four and a half thousand million marks to buy one dollar.

UNITED STATES

The normal income-tax rate was reduced in 1920 from 6–12% to 4–8% and in 1922 the supertax was reduced from a maximum of 65% to 50%. In the same year, 1920, the excess-profits tax was reduced from 30–65% to 20–40%. On the other hand, the Federal estate tax was increased to a maximum of 25%. Beginning with 1921 there came a reduction in some of the miscellaneous taxes, especially the taxes on communication and the so-called "nuisance" taxes. As a consequence, while the customs revenue grew from 324 millions in 1920 to 562 millions in 1923 and (estimated) 570 millions in 1924, the total tax revenue fell from almost six thousand millions in 1920 to about three and a half thousand (3,630) millions in 1922; a little over three thousand millions (3,204 millions) in 1923 and (estimated) 3,375 millions in 1924.

The decennial census of 1923 gives the total state and local tax revenue as 4,229 millions. The result is that the total tax burden was about 7,859 millions in 1922, 7,558 millions in 1923, and about 7,850 millions in 1924.

IV. Comparison and Conclusion

In comparing the tax burden in the various countries we are confronted by great difficulties. If we take the amounts of tax revenues the figures are misleading, because of the changes in the value of money. From 1900 to 1913, although there was a perceptible rise of prices during that period, the difficulty is not serious, because the rise was approximately the same in the various countries. From 1913 to 1919, on the other hand, the index number of wholesale prices rose from 100 to 206 in the United States, to 235 in the United Kingdom, to 356 in France, and to somewhat less in Germany. By 1922 the figures had fallen to 141 in the United States, to 159 in the United Kingdom, to 327 in France, and had risen to 34,200 in Germany.

In the table herewith we present the comparative figures of tax revenues reduced to dollars. As the figures are only approximate, at the best, the £ is taken as $4.87, the franc at 19.34 cents and the mark at 23.84 cents.

	1900–1901 In Millions	1913–1914 In Millions	1918–1919 In Millions	1921–1922 In Millions
United States	$1,400 = $1,400	$2,250 = $2,250	$6,704 = $6,704	$7,859 = $7,859
United Kingdom	£175 = 852	£256 = 1,237	£897 = 4,368	£1,060 = 5,162
France	fr.3,900 = 753	fr.5,080 = 980	fr.6,219 = 1,199	fr.18,547 = 3,580
Germany	mk.2,200 = 524	mk.4,500 = 1,071	mk.11,250 = 2,677	mk.200,000 = 47.600

We do not attempt to reduce the above figures to the 1913 level because this would still mean little. More promising would seem to be the calculation of taxes per head of population, given in the following table, still maintaining the above assumption of £1 = $4.87, 1 franc = 19.34 cents, 1 mark = 23.84 cents.[1]

	1900–1901		1913–1914		1918–1919		1921–1922	
	Population in Millions	Tax per Capita	Population in Millions	Tax per Capita	Population in Millions	Tax per Capita	Population in Millions	Tax per Capita
United States	77	$18.18	95	$22.94	105	$63.94	109	$72.29
United Kingdom	42	20.28	46	26.89	46	94.95	48	107.54
France	39	19.30	39	25.12	39	30.74	39	80.97
Germany	57	9.19	67	15.98	60	44.61	62	767.74

[1] But 1 mark = .000,000,000,022 of a cent on March 14, 1924. — Editor.

According to this table the tax *per capita* had by 1919 increased over five times in the United Kingdom and Germany; about four times in the United States and only about one-half in France; but by 1922 the tax *per capita* had risen about thirteen per cent in the United States and in the United Kingdom, had more than doubled in France and had enormously grown in Germany.

A little reflection, however, will show that such *per capita* figures are also of no significance in the endeavour to ascertain comparative tax burdens. For the important thing is not how many units are paid, but what proportion of individual or social income is taken in taxes. A small tax *per capita* in a poor country or in a modest stratum of society may be a much heavier burden than a somewhat larger tax *per capita* in a richer country or in a wealthier class of the community. It is important, therefore, in the next place, to ascertain the revenue *per capita*.

Such an endeavour, however, is fraught with great difficulty. It requires an exact estimate of the total national wealth and the total social income. Such estimates are at best attended with error. If we use the most accurate figures like those of the census and of the Bureau of Economic Research in the United States, of Sir Josiah Stamp and Sir Chiozza Money in the United Kingdom, of de Foville and Colson in France, and of Helfferich in Germany, we have the following table.

	1900–1901		1913–1914		1918–1919	
	Social income in thousand millions	Income per Capita	Social income in thousand millions	Income per Capita	Social income in thousand millions	Income per Capita
United States	$18 = $18	$234	$33.5 = $33.5	$343	$66.8 = $66.8	$637
United Kingdom	£1.75 = 8.52	203	£2.25 = 10.96	238	£3.80 = 17.76	403
France	fr.26 = 5.02	129	fr.36 = 6.94	178	fr.50 = 9.65	247
Germany	mk.28 = 6.66	115	mk.43 = 10.23	152	mk.65 = 15.47	256

We do not attempt to give figures for 1922 as there are as yet no trustworthy estimates available.

From the above it appears that the comparison of income *per capita* presents a different picture from that of taxation *per capita*, Germany and France creeping up on the United Kingdom until 1913, but losing thereafter.

Possessing the *per capita* figures of both income and taxation, it is obvious that we can reach a closer approximation to a statement of tax burdens in the various countries by comparing the *per capita* taxation with the *per capita* income. If we compute from the above figures such a ratio of *per capita* taxation to income, the results expressed in percentage would be as follows:

	1900	1913	1919
United States	7.77	6.68	10.03
United Kingdom	9.99	11.29	23.56
France	14.96	14.11	12.44
Germany	7.99	10.51	17.42

In other words, our conclusion is that at the beginning of the century the average tax burden, measured in the ratio of taxes paid to income received, was greatest in France and least in the United States; that at the outbreak of the war the disparity between France and Great Britain was less, the burden having relatively diminished in France but increased in the United Kingdom, while the burden had become heavier in Germany, and still lighter in the United States; and that in 1919 several months after the close

of the war the tax burden was greatest in the United Kingdom where it had a little more than doubled, considerably less in Germany where it had increased about two-thirds, much lighter in France where it was actually less than at any time since the beginning of the century, and lowest in the United States, despite an increase of about one-half in the burden.

Even these figures do not present an accurate picture of the true situation. For in estimating tax burdens in a community attention must be paid to the difference between direct and indirect taxes. Where the major share of the tax revenues is derived from indirect taxes, most of which reflect themselves in an increased price level, the burden on the lower incomes is relatively great because the rise in wages proverbially lags behind that of price, while the tax burden upon those in receipt of larger incomes and who are therefore better able to pay is relatively slight. In countries, on the contrary, where the great mass of revenues is derived from direct taxes, the burden on the lower incomes is relatively small; not only because of the graduated income tax but also because of the property taxes, capital levies, and inheritance taxes from which are exempted the recipients of smaller incomes that are able to amass little if any capital. On the other hand, the burden on the richer classes and the wealthier business men is relatively great. The social effects of excessive taxation, in retarding business enterprise and the accumulation of capital, are therefore especially marked in countries with a preponderance of direct taxation. From this point of view the above figures must be modified in the sense of declaring the tax burden to be relatively heavier in countries like the United States and Great Britain and relatively lighter in countries like France, where indirect taxes play a far greater rôle. It is accordingly questionable whether France should really enjoy the dubious distinction of having suffered the heaviest tax burden in 1900 and 1913, and there seems to be no doubt that in 1919 the real tax burden was lowest in France, far and away lower than in the United Kingdom and Germany, and really lower than in the United States.

No attempt is made to bring the figures down to date, especially so far as Germany is concerned. A progressive depreciation of the money unit on the stupendous scale in which it has occurred in Germany is equivalent to the heaviest kind of taxation. It is also the worst form of taxation because while excessive taxation is ordinarily a drain upon individual or social revenues, the gigantic inflation of prices which has occurred in Germany since 1922 has meant a wiping out not only of incomes but of capital wealth. While it may be true that certain business men have made paper fortunes through speculation, it is beyond all peradventure of doubt that the German people have become impoverished and that they have suffered through this catastrophic inflation a burden of taxation out of all comparison with that in any other country. So far as other countries are concerned, some interest is attached to the table below, in which the conditions of 1923 and 1924 are compared. The figures if available would probably show the next heaviest tax burden (after Germany) in Great Britain with a considerably lower

	1922 — 1923			1923 — 1924		
	Tax Revenues in Millions	Population in Millions	Tax per Capita	Tax Revenues in Millions	Population in Millions	Tax per Capita
United States....	$7,554 = $7,554	111	$ 68.05	$7,849=$7,849	112	$70.30
United Kingdom..	£954 = $4,636	48	96.58	£980=$4,773	49	$99.43
France.....	fr. 21,747 = $4,197	39	107.61	fr. 19,040=$3,675	39	$94.23

burden in France and a still lower burden in the United States. For not only was the *per capita* taxation in 1921 lower in France than in Great Britain, but the *per capita* income has during the last few years undoubtedly been increasing faster in France than in Great Britain, while almost two-thirds of the French tax revenue is still derived from indirect taxes. And while the *per capita* taxation in France in 1922 slightly exceeded that in Great Britain, by 1923 it was again lower so that the tax burden in relation to income in 1922 was probably less in France than in Great Britain, and in 1923 assuredly less.

An accurate comparison of the tax burdens for the future, when the currency situation will have again returned to normal, will depend not only upon the preceding considerations but also upon the effectiveness with which the tax laws are actually enforced and upon the degree to which the various strata of society are subject to actual taxation. It would be necessary, for instance, to compare not only the effectiveness of the income tax in reaching the wealthier classes in the different countries, but also the actual proportion of individual incomes paid by the poor, the moderately rich and the wealthy. There are, unfortunately, no statistics available for such investigations. Until they become available, a comparative study of tax burdens, past and present, will have to content itself with the inadequate figures given above.

CHAPTER XXIII

SOCIAL AND REVOLUTIONARY UNREST

By The Rt. Hon. Philip Snowden, M.P.

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The student of Historical, Social and Revolutionary movements must be impressed by two important facts: first, the apparent spontaneity with which these outbursts arise simultaneously in different countries; and second, that while there can be detected in them a common cause and a common purpose, the form of the agitation is determined largely by national and racial temperament and tradition.

Since the Industrial Revolution there has been no period when social and economic discontent did not exist, though for a time it has subsided, only to burst into activity again, on each revival assuming a more definite and intelligent form. In the conscious aims of the Social and Revolutionary movements of the present century, the historical student can recognise the less-developed theories and policy of former agitations, such as the Syndicalist aim of Robert Owen's Grand Confederation of Labour and the bitter quarrel on methods between Marx and Bakunin.

The spontaneous and contemporary character of these outbreaks of proletarian unrest may be explained by the world-operation of economic and moral influences, but also, in later years, by the closer association of the workers in international organisations for a definite and common purpose. But owing to the fact that both the evolution of capitalist industry and of political institutions, as well as national and racial characteristics vary, the social unrest assumes a diversity of form in different countries, though in each there are features common to all.

PERMANENT CHARACTER OF PRESENT SOCIAL UNREST

There are certain facts which lead to the conclusion that there are elements of permanence about the social unrest which has existed without intermission, but in varying degrees of intensity, during the present century, which former revolutionary periods did not possess. These facts may be summarised under seven heads: (1) the firm establishment of large and powerful industrial organisations; (2) the international association of Labour and Socialist organisations; (3) the greater intensity of the struggle between capital and labour, and the organisation of employers' federations and the growth of powerful trusts; (4) the necessity of an aggressive policy by the Labour Unions and the political Labour parties to justify their existence and to keep the support of their members; (5)



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Post-war unemployment in England. A typical procession of unemployed in London marching along the Thames Embankment in the direction of Trafalgar Square, the chief meeting-ground for British agitators.

the extension of the political franchise, and the use of it by the workers for industrial and economic aims; (6) the cheap and widely circulated Press, which acts not merely as a medium for giving news, but as a bond of unity; (7) the better education of the workers through the extension of popular education.

Former outbursts of social unrest were sporadic and ineffective because they had not a permanent form of organisation. In most countries now the Labour Unions have the more important sections of the workers permanently organised, and in Great Britain, and in many of the Continental countries, Labour is powerfully organised in political parties. Assuming, as we must, that these industrial and political organisations of Labour are permanent, the problem resolves itself into the question of what aims these great organisations will pursue, and what methods they will adopt. It is a very important historical fact, and one to be very carefully noted in considering the form which social unrest may be likely to take in any country, that resort to force or revolution always comes from an agitation which has no large organisation. It is the accepted theory of the revolutionary that a revolution never needs more than a small minority to carry it into effect. That is why revolutions never permanently succeed. On the other hand, a large organisation is inherently conservative. It has been taught by long experience the difficulties of building up a powerful organisation. It has won concessions by great efforts and sacrifices, and these it is unwilling to jeopardise by rash and inconsiderate acts. It has developed forms of democratic government which minimise the authority of leaders, and allow differences of opinion to moderate policy. On the contrary, a weak organisation must adopt more dramatic and spectacular tactics, and seek to give the impression of a strength it does not possess by shouting loudly and acting rashly.

We find these two methods illustrated very clearly in the social and industrial movements of the last 23 years. The first year of the new century saw the birth of the British Labour party, which has made such remarkable progress, which now exercises a profound influence on the international working-class movement, and which is looked upon both on the continent of Europe and in America as the model to be copied and the example to be followed. The British Labour party is essentially British in its character, and is a natural development of British constitutional methods. On the continent of Europe the political Socialist parties came into being before the industrial organisation of the workers, but it was found later to be necessary to give the Socialist parties the foundation of an industrial organisation. In Great Britain, on the contrary, the great Trade Unions were the first form of working-class organisation, and these evolved the political Labour party.

BRITISH TRADE UNIONS ADOPT POLITICAL ACTION

The strike is the Trade-Union weapon of attack and defence, and up to the end of the last century it was the only weapon used by the Trade Unions to maintain their gains and to improve their lot. But without abandoning the strike weapon, while keeping it in reserve, the British Trade Unions, towards the end of the last century, began to realise its inadequacy, and indeed its futility as a single-handed weapon of attack or defence. So it was decided to supplement Trade-Union activities by organised political action. It was recognised at the same time that a political party must have a broader basis and must make a wider appeal than Trade Unionism only,

so while making industrially organised labour the basis of the new political party, its constitution provided for the coöperation of political socialists and all others who accepted its programme.

The British Labour party has given a definite, and what seems likely to be a permanent trend to the movement for social and industrial reform in Great Britain. It has provided a constitutional channel for expressing social and economic discontent, and for seeking redress and amelioration. It has done more. By its success it has discredited revolutionary methods, and practically destroyed all agitation of a violent or revolutionary character. Even when the enthusiasm evoked by the Russian Revolution was most pronounced, there was little disposition among the British workers to copy Russian methods, and the advocates of revolutionary methods, and of the Dictatorship of the Proletariat in Great Britain, have never been more than a comparative handful, and are at this time an altogether negligible number.

It is true that for a time the Labour movement in Great Britain did feel the shakings of the Russian Revolution to a slight degree, but there were national causes much more responsible for the short period during 1919–1920 when talk of "direct action" was common. The General Election of 1918 had filled the House of Commons with "hard-faced men who had done well out of the war." During war-time the Government had given the most extravagant promises of social reconstruction, and expectations of a "land fit for heroes" had been raised to a high pitch. Disillusionment came quickly. The Government repudiated all their pledges. Wages began to fall rapidly. The figures of unemployment rose. Dissatisfaction with Parliament developed. A section of the workers talked about "direct action" to force the Government to yield concessions. But that mood soon passed. The great strikes and lock-outs which followed in the mining and engineering trades were nothing more than ordinary industrial disputes on wages.

LABOUR MOVEMENTS IN OTHER COUNTRIES

In the first years of the new century two new Labour movements came into prominence under the names of "Syndicalism" and "Industrial Unionism." These arose in France, Italy and the United States, and though these two movements have something in common there are points of difference between them. It is hardly necessary to deal at any length with Syndicalism, for the movement has apparently completely collapsed, and any interest attaching to its brief spell of activity is now merely historical. But discredited agitations have a habit of reviving, and as the Syndicalism which flourished in recent years was the recurrence of a form of working-class agitation which has broken out at intervals ever since the early part of the last century, each recurrence spending itself in a brief period of activity, it may be well to give a very brief outline of its character.

The Syndicalist movement was anarchist in its philosophy, but it differed from Anarchism in its insistence upon industrial organisation. Syndicalism was strongly opposed to State control, and was anti-political and non-parliamentary. It looked to the industrial organisation of the workers only. Its methods of achieving its revolutionary aim of securing the control of the instruments of production was "direct action" or the General Strike, by which it expected the capitulation of the capitalists. Syndicalism differed from ordinary trade unionism in giving emphasis to the strike, not as a series and succession of guerilla conflicts with the capitalists to wring better conditions from the employers, but as a supreme revolutionary act to overthrow the capitalist system.

The Syndicalist movement grew rapidly in France and Italy from 1904 to 1912. It was the creed of the largest French trade-union organisation — the *Confédération Générale du Travail*. In 1912 it claimed a membership of 400,000. In its brief career it was responsible for two or three disastrous strikes — the railway strike of 1910, the Post-Office strike of 1909, and later a railway strike which practically destroyed the Confederation. What remains of it is now pursuing ordinary Trade-Union methods, and is affiliated with the Amsterdam Trade Union International which repudiates revolutionary methods.

"Industrial Unionism" came into being in the United States where, in 1905, a number of very small revolutionary labour societies merged to form "the Industrial Workers of the World." This American movement borrowed most of its theories from French Syndicalism, but it differed from that by not repudiating political action; and its quarrel with the Socialists and the American Federation of Labour was that these bodies were not sufficiently "class conscious." This organisation is credited with the responsibility for a number of serious strikes with which violence and sabotage have been associated. As its name indicates, it aims at the organisation of the workers by industries instead of by crafts, and then the federation of these unions into One Big Union. This idea seized some of the younger and more impatient spirits of the Labour movement in Canada about 1920. A long strike occurred at Winnipeg, which ended disastrously, and with its defeat the movement collapsed. The I. W. W. still remains numerically a very small body, and it has not succeeded in gaining any recognised position in the American Socialist or Labour movement.

The Syndicalist movement and Industrial Unionism, though they have failed to establish any strong and permanent organisation, have by their propaganda left some influence on the Labour and Socialist bodies in two directions, though it is probable that other influences would have effected the change had there been no propaganda of Syndicalism or Industrial Unionism. The Syndicalist attack upon the State as an instrument of tyranny, which has been emphasised in Great Britain in recent years with great intellectual vigour by the Guild Socialists, has led to a considerable modification of the State Socialist ideas of the British Labour movement. While repudiating the Syndicalist plan of the ownership and control of industries by the workers employed therein, it is now recognised that while the interests of the whole body of consumers must be safeguarded there must be conceded to the workers in each industry a considerable measure of internal control.

The central idea of Industrial Unionism, namely, organisation by industry instead of by craft, has made still greater progress in trade unionism in Great Britain. This has come to pass by the growing recognition of the unity of interest among all the workers in an industry, and also by the obvious weakness in a fighting organisation of innumerable autonomous regiments without unity of command. This movement towards the consolidation of the unions has not yet made much practical progress in Great Britain, but it is the most prominent topic of internal discussion, and at the Trades Union Congress in 1923 it took the form of a proposal to endow the National General Council of the Trades Unions with powers to take command of the whole Trade-Union forces for the defence of any trade or industry menaced by aggression from the employers. But the sense of solidarity is not yet so far developed as to induce the great unions to surrender their autonomy to the control of the whole Trade-Union movement. However, the tendency is in that direction, and the relative weakness of individual unions compared with the highly-organised and consolidated forces of the employers will force the pace of this movement towards an Industrial Unionism which has not

the revolutionary aims of Syndicalism or the I. W. W., but which seeks the consolidation of Labour forces for the constitutional purposes of Trade Unionism.

CONSOLIDATION OF OPPOSING FORCES

The movement towards the consolidation of Labour forces, both industrially and politically, naturally leads to a corresponding consolidation of the opposing forces. In countries where the working-classes are strongly organised in political parties the old division of parties on strictly political lines is disappearing, and parties are being re-formed on an economic basis. In Great Britain this process has reached an advanced stage. The old historic Liberal party has almost disappeared, and its former adherents have gone over to the Conservative or Labour party just as their economic interests have dictated. The unsettled political conditions in the Continental countries due to the World War have, for the time being, diverted the course of this evolutionary development, but there were abundant evidences from 1900 to 1914 in the political movements in Germany, France, Italy, Holland and the Scandinavian countries that events were developing in the same direction. When normal political and economic conditions are restored in these countries, when the special problems left by the war are settled, it is likely that the course of political evolution will resume the old channel, and economic struggle between the classes will be fought out on the political field much on the lines on which it is being waged in Great Britain.

But the possibility of revolutionary methods must not be ignored, especially in the Latin countries where the spectacular makes a special appeal. The Fascist movement in Italy is deserving of consideration in this connection, as it is not improbable that similar revolutionary developments may take place elsewhere if Labour departs from constitutional methods, or when the anti-Labour and anti-Social interests see the possibility of being dispossessed by the political domination of Labour.

During the first 14 years of this century, Socialism and Trade Unionism made remarkable progress in Italy. By 1914 things had gone so far that the Trade Unionists and Socialists had attained a commanding position on many of the local councils and great influence in Parliament. The proletariat appeared to be on the eve of securing political domination. The war split the Italian Socialist movement. Then came the Bolshevik Revolution, and the latent forces of Syndicalism and revolutionary Socialism were roused to emulate the achievement. There was a short and abortive attempt to seize the control of workshops and to establish Soviets. The old evolutionary Socialists lost control, and the forces of anti-Labour and anti-Socialism took advantage of the disorganised condition of the Socialist movement to crush the revolt and to establish a revolutionary Dictatorship.

At the outbreak of the Communist incident the Fascist movement was small and unimportant, but it found its opportunity in the new situation. Its character changed. It could succeed only by siding with the middle-classes against the proletariat. It carried its offensive not only against the Communists but with equal violence against the Trade Unions and the non-revolutionary Socialists. The more it succeeded the more violent became its methods. The State maintained an attitude of neutrality, as it had done towards the Communist attempt to seize the workshops. This weakness of the Government added to the strength of the Fascisti. Mussolini had no intention at one time of carrying Fascist intervention beyond the point of suppressing the Communists, but a machine had been created and given an

impetus which could not be stopped, and eventually the Fascists overthrew the Government and established a Dictatorship.

The Italian incident is interesting from the point of view of the possibility of similar developments in other countries; but it is important to remember the circumstances out of which Fascist intervention and success arose. Fascism was a counter-revolution; and if a proletarian revolution should break out, in such a country as Great Britain, it is highly probable that such a counter-revolution as occurred in Italy will take place. But if the revolutionary aim of the proletariat be confined to constitutional action, it is not likely that the opposition will resort to violence. Fascism in Italy is an illustration of this point. Fascism is in a large measure recruited from fine young men of ideals who are not anti-Labour, but who have joined the Fascist movement because they believed that the aims and the methods of the Communists were anti-national and against the real welfare of Labour. This will inevitably happen everywhere when a constitutional movement resorts to revolutionary methods. The violence exercised by the Fascisti in suppressing the Communist rising was no necessary part of their general aim and policy, but arose out of the conflict of forces.

FAILURE OF THE RUSSIAN FANATICS

The revolution in Russia and the constitutional revolutions in Germany, Hungary and Austria were incidents directly arising out of the war, and in none of these cases was the revolution in the first instance a rising of the proletariat to effect a social and economic revolution. It is true that in Hungary and Germany there have been unsuccessful attempts on the part of the Communists to turn the political revolution into an economic one; but in every case, not least in Russia, the revolution was purely political in its inception, due to war weariness and misery. The weakness of the first Revolutionary Government gave the Bolsheviks their opportunity, and the power fell into their hands without a struggle as it dropped from the feeble hands of Kerensky. Although the Bolsheviks made no secret during the time they were attacking the Provisional Government, and for some time after their accession to power, of their intention to establish a Communist State, now that the failure of the experiment is obvious they seek to deny such intention and represent the revolution as "an elemental upheaval of the masses rendered desperate by the inability of Kerensky and the moderate Socialists to end the war and to solve the agrarian problem."

The tragic failure of the Communist experiment in Russia may not deter fanatics elsewhere who see in political disturbances and economic misery an opportunity to usurp power. But the lesson of Russia is full of importance to the proletarian movement everywhere. It is not necessary for the purpose of explaining the failure of the Russian Communists to attribute to them either malignity or corruption. Their failure is due to the fact that they attempted the impossible. They tried to establish a social order for which neither the economic conditions nor the people of Russia were ripe. At the outset of their adventure the leaders were compelled to suppress all democratic institutions, to establish a minority dictatorship maintained by force and tyranny, and at the same time to compromise their ideals and suppress their programme in order to retain their authority and avert a counter-revolution. The external interference with Russia during the first two years of the Bolshevik *régime* no doubt did much to preserve national unity in Russia and to maintain the Bolsheviks in power.

After three years, when the Communist experiment had brought Russia to the lowest point of economic exhaustion, Lenin announced the new economic policy, which involved the abandonment of Communism, and the adoption of State Capitalism — that is, of a system where the control of production will be in private hands, regulated as to leases, taxation and labour conditions by the State. Under this arrangement the economic life of Russia is slowly recovering, but the revival will remain slow until the Bolshevik Government has proved by its actions that it is to be trusted with the confidence of foreign capitalists whose help it is anxious to enlist.

The lessons of the Communist experiment in Russia are valuable. It teaches the futility of trying unduly to force economic development. Transition cannot jump immense gulfs. It proves, too, that progress can only be made and permanently maintained by carrying with it the intelligent approval and coöperation of the people. But it proves two other important things: first, that violent changes which arise from chaos and misery are never rational. These are not the conditions on which the foundation of a lasting order can be laid; and second, that the moral character of the men and women who are to work a new social order is of supreme importance. The war had undermined both the nervous force and the moral fibre of vast numbers of people and in consequence had rendered them less capable of restraint and of calm judgment, and less scrupulous of methods and obligations. This fact has been strikingly illustrated in all the revolutionary incidents since the war.

SOCIAL JUSTICE THE ONLY REMEDY FOR SOCIAL UNREST

The conclusion to which we are brought by a survey of the social movements of this century, the events of which have provided such valuable material for study, is that the proletarian unrest is a permanent feature of modern life, and that it will remain, while varying from time to time in the character and intensity of its expression, until the deep-seated and just causes of it are removed. Cross currents sometimes disturb the general course of the social movement, but its destination is clearly indicated by a long view of its history, and especially of its course from the beginning of this century to the outbreak of war, and even since then in those countries where political and economic disturbances due to the war have not greatly upset the normal life of the people.

There is a disposition in some quarters to regard the present social unrest and the economic breakdown of Europe as solely due to the devastating effects of four years of war and to the failure to make peace; but that is a very superficial view. Before the war the economic system was being challenged everywhere, and the forces of the proletariat were being organised industrially and politically to change it.

The deep root of social unrest is to be found in an economic system which fails to provide for the masses the conditions of a healthy, intellectual and civilised life, or to give them a fair share in the advantages of progress. The wide disparities of wealth and poverty, the uncertainty of work, and the mechanical drudgery of much of the work, offend all ideas of social justice.

The social unrest is the prompting of an awakened social consciousness. And this is by no means confined to those who are victims of poverty and hardship. It is a very hopeful thing that the working-classes in their struggles for a better life have the support of a growing number of those who are themselves in positions of comfort and security.

The organised working-class movements of the world hold the idea in common that industry must be organised on a Collectivist basis. The British Labour party, which may be regarded as the most conservative and the most constitutional of the Labour parties of the world, holds that as its fundamental idea, as strongly as the Marxian socialists of Europe. It was an epoch-marking event, when on March 20, 1923, the Labour party, as the official Opposition in the British House of Commons, directly challenged by motion the existing economic and social order, and declared that when the party becomes the Government of the country it will conscientiously direct its legislation to the gradual supersession of the capitalist system and to the establishment of a coöperative Commonwealth. And in moving this resolution the British Labour party spoke with the support of over four million voters behind it.

The General Election of December, 1923, gave the British Labour party a considerable accession of Parliamentary strength. It increased its representation from 144 to 192. As soon as Parliament met the Conservative Government was defeated on a vote of censure moved by the Labour party and supported by the Liberals. The Government resigned and the leader of the Labour party was called upon to form a Government. The Labour party, though in office, is not in power as it does not command a majority of the House of Commons. It will have to rely upon the support its measures can command from the Liberals. But the advent of the Labour party to office in Great Britain is an event of great historical importance and of world interest. It remains to be seen what its contribution to the solution of the problem of social and industrial unrest will be.

It would be foolish to dogmatise as to the precise course which social unrest will take in the future, just as it would be unreasonable to expect its course will always be on constitutional lines. There will be in the future, undoubtedly, as there have been in the past, periods of spasmodic revolt. Young, impatient men and fanatical doctrinaires will try to force the pace of progress, but after exhausting their energies in futile efforts they will settle down again to normal methods. There is only one effective way of dealing with social unrest, and that is for constitutional governments to find out if it arises from well-founded grievances and injustices. And if it does, then to remove the causes of it.

CHAPTER XXIV

THE WEALTH OF NATIONS

By O. P. Austin, A. M.

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Expert estimates of the wealth of the principal countries of the world at dates approximating 1900, 1913 and 1921 are presented in the tabulation given on page 455. The term "expert estimates" as designating the character of the figures presented is used advisedly, for in practically every instance the authors of the respective statements included in the tabulation make no claim that the figures which they present are the results of actual measurements. Even in the United States where periodical statements of the wealth of the country are officially published by the Census Bureau, the word "estimate" is constantly used in describing the process by which the values of the various classes of property are determined. Only one country, Australia, has attempted an official wealth measurement by requiring each citizen to make returns to the census office declaring the amount of his entire wealth. In a very large proportion of the wealth statements which have been given publicity and awarded wide recognition, the figures are at the best conclusions arrived at by painstaking individuals as a result of long and careful analytical studies. In fact, it is to these painstaking, thoughtful individuals, economists and statisticians of the present and preceding generations that the world is indebted for the best and practically the only attempts at measurement of the tangible wealth of the principal countries of the globe, except in the cases, as above noted, of the United States and Australia, and of certain of the new post-war political units of Europe which have recently issued official estimates of their wealth.

METHODS OF MEASURING NATIONAL WEALTH

The principal methods by which these wealth estimates have been made are (1) studies of the Governmental revenue from taxation of incomes; (2) official estimates of the value of the properties upon which Governmental taxation is levied; (3) the official census method which requires each citizen to make returns to the Government of his entire wealth, in whatever form; (4) the "inventory" method by which official or individual estimates are made of the value of the several classes of property in the respective countries.

The first-named method, that of working back from the Governmental receipts from taxation of incomes to determine the value of the capital from which the income is obtained, is available in only a limited number of countries where incomes are thoroughly appraised for taxation purposes. This

method is liable to inaccuracies resulting from tax evasions, and in some instances from the fact that a part of the income may come from investments in other countries or from properties in the country in question owned by citizens of other parts of the world. This method, however, was the chief reliance of the distinguished statistician and economist, Sir Robert Giffen, in his various estimates of the wealth of the United Kingdom and certain of the British colonies.

The second-named method, of estimates based upon Governmental valuation of taxable capital, encounters difficulties by reason of the fact that certain classes of wealth are not included in the properties on which taxation is levied, and also in the fact that the reported valuations of personal property are notoriously incomplete, while the further fact that in many countries and states the taxable valuation of real estate is only a fraction of its real value adds to the difficulties of obtaining accurate estimates of wealth by this process.

The third-named system, that of requiring each individual to make returns to the Government of his entire wealth, whether in the form of farms, city property, manufacturing establishments, stocks and bonds, household effects, etc., is now utilised in a single country, Australia, and has been, as already stated, attended with difficulties in obtaining the full coöperation of certain elements of the population, especially in view of the fear that the statements might be utilised as a basis for taxation, rendering it highly probable that in many instances individual wealth returns are materially below the truth.

The fourth-named system, the "inventory" method, which arrives at an estimate of the aggregate value of each form of wealth irrespective of individual ownership, is necessarily dependent upon such statistical material as may be available in official or other form as to the value of each class of property, including Governmental valuations of real property for taxation purposes; railways, telegraphs and telephone systems; estimates of the value of livestock; capital invested in stocks, bonds, and other securities including foreign investments; machinery and its equipment; agricultural or manufacturing industries; mining properties estimated by the annual out-turn of the mines; precious metals; stocks of raw material; business organisations valued by the invested capital or the net profits; shipping, measured by an estimated value per register ton; and such share of the annual out-turn of the farms, factories and forests as seem likely to be held in warehouses or the hands of dealers; also such share of the year's imports as are in warehouses or the hands of dealers. This "inventory" system is in fact the basis of a very large proportion of the individual studies by statisticians and economists the world over, and is also the chief reliance of the American Census Office in its periodical measurements of the wealth of the United States.

THE UNITED STATES WEALTH-CENSUS

The details of the method pursued in the United States, which is in fact based upon the "inventory" system, are so important in their relation to the periodical wealth estimates of the country of greatest wealth, that a description of the processes followed may be justified. While the so-called "inventory" method is the basis of the study, the process differs in certain respects from that of other countries, especially in the fact that the studies in the United States are carried on simultaneously by several hundred trained observers distributed over the country at a date fixed by law, and making official studies upon a uniform basis supplied by the Census Bureau, while in the in-

ventory studies in other countries the details are usually analysed by single individuals, or at least an extremely small working force, thus minimising the opportunity to make the various statements applicable to a single year or fraction of a year. Furthermore, it may be properly assumed that the value of these periodical studies, as made by the United States Government at intervals since 1850, improves both in the matter of accuracy and detail from census to census, as a result of the experiences of the same office in the preceding years. The description which follows regarding the methods pursued is based upon statements appearing in the official returns of the latest recorded wealth-census, that of 1912. It is understood that the census of 1922 wealth, now in preparation, utilises the same general methods.

The broad general basis of the official wealth estimates of the United States assumes that all forms of wealth may be grouped into two great classes, (*a*) "real property and improvements," and (*b*) "personal and other property." The class "real property and improvements" is defined as "lands and structures thereupon exclusive of lands used for railways, telegraphs, electric light and power stations, and privately owned water works." Two subdivisions of this real property class give separately the "real property and improvements taxed," and the "real property and improvements exempt from taxation," the second subdivision consisting in chief of lands, buildings, etc., of the national, state and municipal governments, and also the real property of religious, charitable and educational institutions exempt from taxation. This first great group, "real property and improvements thereon," formed in the 1912 wealth-census about 59 per cent of the total estimated wealth of the country; the subdivision described as "taxed" being 52.5 per cent and that "untaxed" 6.5 per cent of the total wealth. The values of the real property and improvements thereon are obtained by utilising as a basis the assessed valuation and determining the real value by a consideration of the per cent which the assessed valuation formed, state by state, of the true value of the property.

The second great class, "personal and other property," includes railroads and their equipment, telegraph and telephone systems, shipping and canals, street railways, livestock, machinery and implements on farms and in factories, mining products, personal properties, privately owned waterworks and electric light and power stations, and such share of the out-turn of the farms and factories as is estimated to be in the hands of the public at the date of the census, also a fixed share of the imports of the year in question. The methods used in estimating the values of these respective groups are, in the case of railroads and their equipments, the reports of the Interstate Commerce Commission for the latest available year; in farm and factory machinery a given percentage of the annual out-turn by factories of machinery of these classes; for street railways, telegraph and telephone systems, etc., the latest figures of the organisations by which they are established and maintained; for foodstuffs and manufactured products in the hands of the people a fixed percentage of the out-turn in the latest year for which figures are available; and a given proportion, usually about one-half, of the merchandise imported during the year in which the census occurs. The valuation of the factories, business buildings and residences, whether urban or rural, are of course included in the first great group "real property and improvements."

COMPARATIVE STUDIES DIFFICULT

It will readily be seen from the above description of the various processes followed in estimating the wealth of the various countries of the world that any attempt to present the figures in form suited for comparative studies is hedged about with many difficulties. The estimates made in the various countries are in most cases those of individuals who, however conscientious and painstaking, have not conducted their respective studies upon any agreed or uniform basis, nor do the studies themselves appertain to conditions in any uniform year or period of the year, each investigator reaching his individual conclusions by such processes as seem to him best suited to the class of information rendered available by the laws and customs of the respective communities, while dates represented by the studies are also those most convenient to the individuals conducting them. While it might have been expected that studies of this character made during the opening years of the century would relate to the year 1900, it appears that only about one-third of the thirty odd studies of this character made in the first decade of the twentieth century did in fact relate to that year. In the more recent studies, however, the disposition of the investigators has been to apply their studies as far as practicable to the year immediately preceding the war, and in the post-war studies to base the estimates upon conditions in 1920.

Sir Robert Giffen says on the dangers of comparisons between nations as to aggregate wealth, that "it is hardly possible to obtain an accurate view of the wealth of any country on any basis that can give a minutely accurate result, and it is the more difficult to obtain such accounts for any two nations, made up in the same way. Before any comparisons can be made at all the methods observed in each case must be carefully followed."

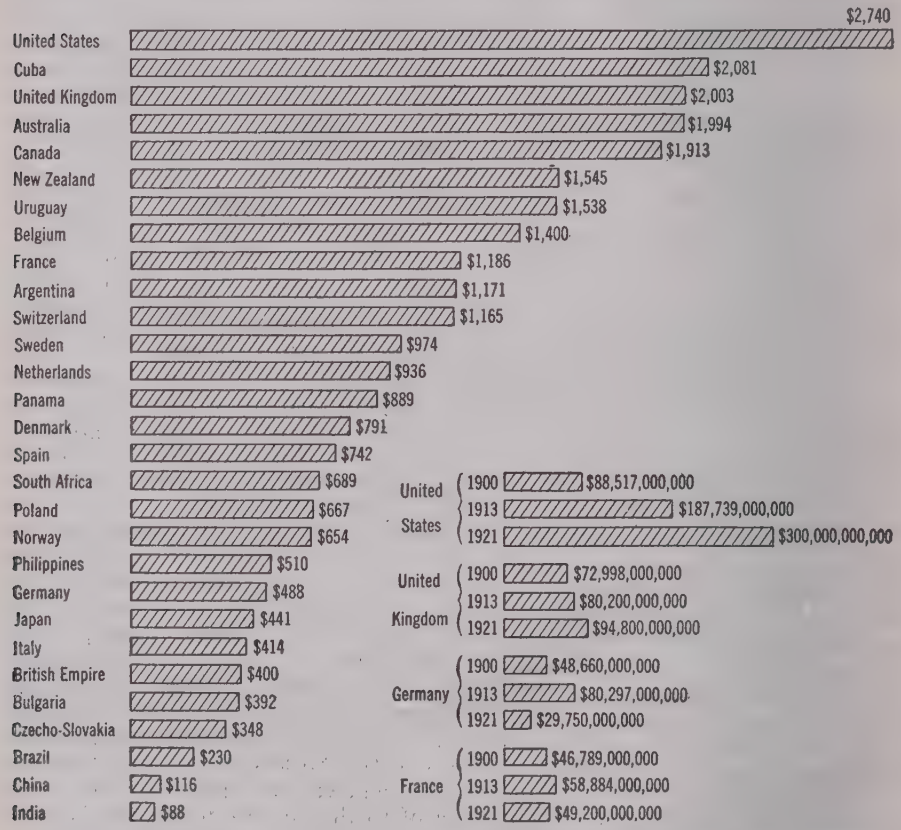
Still another difficulty, which confronts any attempt to compare wealth statements of the post-war period with those of the pre-war years, lies in the changes in the value of the currency units in which the statements are made. While the great currency inflation in certain countries of Europe and a consequent change in the purchasing power of the monetary units has developed chiefly in post-war years, this inflation and change in the purchasing power of the monetary unit did exist, in a considerable degree, during the war period and especially during its closing years. In fact there had been even during the decade preceding the war a slow but plainly perceptible world inflation through the enormous additions to the world's stock of gold, which in turn materially affected the purchasing power of currency units, thus adding to the difficulty of a comparison of wealth figures at the close of the war with those at earlier periods.

Commenting on this difficulty in comparing the wealth figures of to-day with those of pre-war years, Sir J. C. Stamp, in his *Wealth and Taxable Capacity* (1922), remarks that "although the aggregate of British individual wealth has moved from 11,000 millions in 1914 to about 15,000 millions at June, 1920, these are merely expressed in money values — the increase in real or intrinsic values is certainly almost negligible."

In the tabulation which follows, the figures of estimated wealth of the respective countries in post-war years have been transformed to United States dollars at the annual average rate of exchange for the year in which the estimate was made. For pre-war years the transformation to United States currency was of course based upon the official rates of exchange as proclaimed from time to time by the U.S. Secretary of the Treasury.

AUTHORITIES QUOTED

Care has been exercised in preparing the accompanying tabulation of wealth estimates; to select from the mass of available material of this character the estimates of the most widely known and generally accepted students of this subject, and especially those whose estimates cover the years



The left hand diagram shows the present *per capita* wealth of the chief nations of the world, the United States heading the list with $2,740, and India at the bottom with $88. The lower or right hand diagram shows the total wealth of the four great nations, the United States, the United Kingdom, Germany and France. The figures in the case of Germany are particularly significant as showing the devastating effect of the World War on her national wealth, which in 1913 slightly exceeded that of the United Kingdom, only to shrink in 1921 to less than one-third of the wealth of the latter country.

most nearly approximating the dates to which this study is intended to appertain, *i.e.*, 1900, 1913 and 1921, and in every instance the authority for the figures quoted is indicated in the notes attached to and forming a part of the tabulation, also the years represented by the respective estimates.

CLASSIFICATION OF PROPERTY IN WEALTH ESTIMATES

Quite naturally, necessarily perhaps, the students and statisticians who have estimated the wealth of the various countries find it convenient both for themselves and for those desiring to utilise the information to classify the various forms of wealth which they measure in groups and sub-groups, and finally in the aggregate. While the classes into which they divide and subdivide the property have certain characteristics common to all, the subdivisions differ widely, due in part to the detail in which the Governmental records are stated and probably in some degree to the personal views of the compilers as to the detail in which the statement shall be worked out. Sir J. C. Stamp, for example, in his estimate of the wealth of Great Britain in 1914, in which he obtains a total of £14,319,000,000, divides the wealth of the country into 19 groups. Peret divides his estimate of the wealth of France into 12 groups; the Italian experts divide the wealth of Italy into nine groups; Barthe in his estimates of the wealth of Spain names 10 groups; Stamp subdivides the wealth of Japan into 11 groups, while the United States wealth-census of 1912 names no less than 21 groups or sub-groups. Real estate and buildings thereon are in all cases the largest single item, forming about 32 per cent of the estimated total in Great Britain, 42 per cent in Belgium and Germany, 46 per cent in Canada, 50 per cent in Italy, 54 per cent in pre-war Austria, 59 per cent in the United States and Argentina, 63 per cent in Japan, and 68 per cent in Australia. The comparatively low percentage which real estate and buildings thereon forms of the British total, is apparently the result in some degree of the large foreign investments of her citizens, their heavy bond and other security holdings, and the large sums of capital represented by their shipping industry. Sir J. C. Stamp's classification includes "railways out of the United Kingdom," "foreign and colonial securities," and "income accrued abroad and not remitted." In the German classification, "capital investments abroad" form an important factor in the grand total, while the classifications of many countries include the term "state debt" or "national and local debts," presumably representing the domestic holdings of the national or state stocks, bonds and securities of this character. Railways in most cases form the second largest item in the grouping of the various classes of wealth, though difficulty has been encountered in any attempt to determine the percentage of the railway valuations supplied by foreign capital in the countries and colonies in which railways have been developed in part by foreign loans.

The methods of grouping the various classes of wealth are illustrated by the two tabulations here presented, that of Sir J. C. Stamp on the 1914 wealth of Great Britain and that of the United States Census Office on the 1912 wealth of the United States.

ESTIMATED WEALTH OF GREAT BRITAIN, 1914

By Sir J. C. Stamp

	Capital value Million £
Lands	1,155
Houses, etc.	3,330
Other profits	22
Farmers' capital	340
National debts, etc.	1,148
Railways in the United Kingdom	1,143
Railways out of the United Kingdom	655
Coal and other mines	179
Ironworks	37
Gasworks	182
Waterworks, canals and other concerns	278
Indian, colonial and foreign securities	621
Coupons	383
Other profits and interest	276
Business not otherwise detailed	2,770
Income accruing abroad and not remitted	400
Income of non-income tax paying classes derived from capital	200
Movable property, etc., not yielding income (furniture, etc.)	800
Government and local property	400
Total Valuation	14,319

ESTIMATED WEALTH OF THE UNITED STATES, 1912

By U. S. Census Bureau

Real property taxed	$98,362,813,569
Real property exempt	12,313,519,502
Livestock	6,238,388,985
Farm implements and machinery	1,368,224,548
Gold and silver coin and bullion	2,616,642,734
Manufacturing machinery, tools, etc.	6,091,451,274
Railroads and their equipments	16,148,532,502
Street railways	4,596,563,292
Telegraph systems	223,252,516
Telephone systems	1,081,433,227
Pullman and private cars	123,362,701
Shipping and canals	1,491,117,193
Irrigation enterprises	360,865,270
Privately owned waterworks	290,000,000
Electric light and power stations (private)	2,098,613,122
Agricultural products	5,240,019,651
Manufacturing products	14,693,861,489
Imported merchandise	826,632,467
Mining products	815,552,233
Clothing and personal ornaments	4,295,008,593
Furniture, carriages, etc.	8,463,216,222
Total	$187,739,071,090

ESTIMATED WEALTH OF THE PRINCIPAL COUNTRIES OF THE WORLD
Approximately 1900, 1913, 1921

	Estimated Wealth			Per Capita Wealth		
	Approximately 1900 Million Dollars	*Approximately 1913* Million Dollars	*Approximately 1921* Million Dollars	*Approximately* 1900	1913	1921
Argentina	3,500 b–40	6,200 g–18	10,000 s–34	730	837	1,171
Australia	4,779 d–14	7,815 m–19	10,665 o–11	$1,268	$1,593	$1,994
Austria	13,140 a–15	18,590 h–20	no data	527	641	——
Belgium	9,050 f–5	11,679 j–6	10,615 q–34	1,234	1,525	1,400
Bolivia	no data	no data	1,000 s–34	——	——	346
Brazil	no data	no data	7,000 s–34	——	——	230
British Empire	108,036 d–2	121,600 g–11	180,000 s–36	272	286	400
Bulgaria	1,800 b–40	4,000 j–22	2,200 s–39	482	841	392
Canada	6,750 d–2	11,140 k–33	22,483 o–30	1,257	1,380	1,913
Chile	no data	no data	4,000 s–34	——	——	1,065
China	no data	25,000 j–29	50,000 s–1	——	62	116
Colombia	no data	no data	2,500 s–34	——	——	416
Costa Rica	no data	no data	600 s–34	——	——	1,279
Cuba	no data	1,000 k–29	6,500 s–34	——	404	2,081
Czechslovakia	——	——	4,750 s–27	——	——	348
Denmark	1,946 b–4	2,200 j–40	2,585 n–1	790	792	791
Ecuador	no data	440 j–23	850 s–34	——	293	425
Egypt	no data	no data	5,135 o–11	——	——	402
Finland	——	——	1,511 o–1	——	——	453
France	46,789 b–4	58,884 j–10	49,200 q–10	1,212	1,483	1,186
Germany	48,660 c–13	80,297 j–7	29,750 q–8	863	1,185	488
Greece	1,300 e–41	2,100 h–40	no data	500	435	——
Guatemala	no data	no data	650 s–34	——	——	219
Haiti	no data	no data	600 s–34	——	——	240
Honduras	no data	no data	150 s–34	——	——	235
Hungary	16,600 a–41	8,420 h–20	no data	918	400	——
India	14,599 d–2	17,520 g–11	28,270 n–11	63	71	88
Italy	16,059 f–5	21,800 k–5	15,229 s–12	468	612	414
Japan	6,472 d–31	11,673 k–3	25,000 s–36	140	217	441
Latvia	——	——	953 s–28	——	——	551
Mexico	no data	no data	7,000 s–34	——	——	451
Netherlands	4,283 a–15	5,110 g–26	6,400 q–37	823	848	936
New Zealand	807 a–15	1,557 g–11	2,336 o–11	1,009	1,390	1,903
Nicaragua	no data	no data	300 s–34	——	——	470
Norway	1,070 a–15	1,440 g–41	1,732 s–1	486	604	654
Panama	no data	no data	400 s–34	——	——	889
Paraguay	no data	no data	350 s–34	——	——	350
Peru	no data	no data	3,000 s–34	——	——	650
Philippines	350 d–32	1,250 j–40	5,500 q–35	45	144	510
Poland	——	——	17,610 r–1	——	——	667
Portugal	2,000 a–15	2,700 g–41	no data	336	453	——
Russia	31,250 a–15	58,390 j–9	no data	242	337	——
Salvador	no data	no data	450 s–34	——	——	300
South Africa	2,900 d–2	3,200 g–40	4,740 o–11	560	535	689
Spain	11,580 a–15	14,307 m–25	15,800 o–11	643	702	742
Sweden	3,730 f–16	4,575 j–3	5,750 o–40	678	816	974
Switzerland	2,820 b–17	3,893 h–3	4,500 q–40	850	1,017	1,165
United Kingdom	72,998 d–2	80,200 k–11	94,800 o–11	1,758	1,728	2,003
United States	88,517 b–1	187,739 h–1	300,000 q–38	1,164	1,965	2,740
Uruguay	no data	no data	2,200 s–34	——	——	1,538
Venezuela	no data	no data	1,500 s–34	——	——	621

a	1896	c	1902	e	1907	g	1910	j	1913	m	1915	o	1920	q	1922
b	1900	d	1903	f	1908	h	1912	k	1914	n	1919	s	1921	r	1923

1	Official	12	Pelligrini	23	Sucre
2	Giffen	13	Schmoller	24	Ansiaux
3	Stamp	14	Coghlan	25	Barthe
4	Webb	15	Mulhall	26	Stuart
5	Gini	16	Flodstrom	27	Hotowitz
6	Maroi	17	Steiger	28	Kolning
7	Helfferich	18	Latzina	29	Ghele
8	Von Glasenapp	19	Knibbs	30	Coats
9	Neymarck	20	Felner	31	Japanese Year Book
10	Thery	21	Gottlieb	32	Philippine Census
11	Crammond	22	Friedman	33	Canadian Bankers Association
				34	Pan-American Union
				35	Wood-Forbes Mission
				36	Armament Conference
				37	Netherlands Chamber of Commerce
				38	N. Y. *Sun* and *Herald*
				39	Associated Press
				40	Estimate
				41	*Encyclopedia Americana*

CHAPTER XXV

HAVE REAL WAGES GONE UP?

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1. INDEX NUMBERS

If it is said that prices have risen, it is usually meant not that prices of all goods have changed equally in some definite proportion, but simply that of the varying movements observed most are upwards. When we come to the measurement of the change, which is wanted for comparison between two countries or between the increases of prices and of wages, it is necessary to combine the movements of prices of different commodities by some process of averaging. The actual process is a matter of statistical technique, to which great attention has been paid in recent years, and cannot be discussed here; the results are expressed in "index-numbers" thus:—the index-numbers of wholesale prices in the United Kingdom, according to the *Statist's* computation, were 188 and 155 in 1921 and 1922, when the number for 1913 is taken as 100—that is, a carefully chosen average of price changes shows an increase of 88% from 1913 to 1921 and of 55% from 1913 to 1922. The numbers depend on the class of commodities from which selection is made (whether imported goods, materials, manufactures), and to some extent on the importance given to various groups (cereals, meat, metals, etc.), and they are influenced slightly by the method of computation. Index-numbers compiled by different statisticians ostensibly to measure the same price change seldom agree exactly, and the divergence is the greater, the greater the changes measured, and statisticians have not adopted any uniform and universal method in all countries. Consequently the numbers must always be considered as only approximate, subject to an error of at least 2%. This is especially necessary in comparisons between countries or between prices and wages, but if we are using only one line of numbers we can take them as substantially accurate.

Index-numbers are used for measuring changes in wholesale and in retail prices and also in wages. Their use in retail prices is principally to measure the change in the cost of living, which is generally taken to mean the cost of purchasing some definite group of commodities, the amount of bread, meat, etc., that makes a week's housekeeping of an average family; this may be taken in the restricted sense of the cost of food only, or extended to include clothing, fuel, rent and other expenditure. For international comparisons it is safer to confine the number to food, since the expenditure on clothing, fuel and rent depend so much on climate and custom; but for consideration in relation to wages in a single country, measurement should be as comprehensive as possible.

An index-number of wages is similarly intended to represent an average movement. It reflects rates of wages, for a definite number of hours' work or a definite task, and not earnings which depend also on the amount and regularity of employment; but the rates are generally those for the full customary working-week, which has been shortened in most countries since the World War, so that if the index shows an increase of 70% from 1913 to 1922, it should be added that the rates are paid for about 6 hours less per week at the latter than at the former date. The movement of wages has not been the same for all occupations and the index-number must give due importance to the numbers employed in the occupations when wages have changed rapidly or considerably. Average wages over a country are affected not only by changes in rates but also by the gradual change in the relative importance of different industries; index-numbers generally implicitly assume that there has been no change in the relative numbers, and for the purposes of this study this assumption is proper, but if the change of the economic position of the working-class as a whole is in question, we should have to consider whether the better-paid occupations were becoming more common or not.

While there are fairly adequate accounts of wholesale prices in most important countries since the beginning of this century, the information about retail prices is very deficient till the war period. If, however, we are not aiming at very accurate measurements, we may assume that retail prices of food move in the same direction as, at the same time or a few months later than, and in nearly the same proportion as, wholesale prices of food, so long as the change is not very rapid, and to a more limited extent we can use general wholesale price index-numbers to measure the change of prices in general as they affect retail purchasers. But in times of rapid changes retail prices rise less than wholesale prices (unless a temporary shortage makes it possible for traders to inflate prices), and fall less, partly because the expenses of handling and shop-keeping vary slowly and partly because prices are steadied by custom.

Information regarding wages is very limited; even since the war no adequate international account of wage-changes has been possible. The interpretation of wage-statistics is so much a matter of local knowledge, that no general account can be given for any country except by a statistician in that country, and for the present we can only use the few index-numbers that have been compiled locally.

In the tables (pp. 461, 463, 465) are assembled those index-numbers which appear to be general and valid for 17 countries. They can be used as they are given for the summary account in this chapter; but for a more exact and detailed study it would be necessary to refer to the original compilation in each case, or at least to the comparative accounts in the publications of the League of Nations or of the Institut International de Statistique, in order to appreciate the nature, accuracy and comparability of the calculations.

2. THE PERIOD 1901 TO 1913

Before the war, when the currencies of all trading nations were based on a gold or silver standard and (whatever the coins or paper used) were freely convertible into precious metal,[1] wholesale prices of all goods that could be exported or imported could vary from country to country by little more than the cost of transport and duties, and consequently the index-

[1] In Italy prior to 1902 the lira was not freely convertible and was depreciated — 4% in 1901.

numbers of wholesale prices in the different countries show the same tendencies. After a general fall of prices from about 1873 to 1895, a general rise began which continued with approximate uniformity till 1913. The fall had been due to an increasing demand for currency based on gold at a time when there was no great development of the gold supply; the rise was due to the development of the South African mines so that the output of gold increased rather more rapidly than the need for it. There was a special inflation of prices, connected with the South African War, about 1900, and the reaction was not complete in 1901, so that in some countries a slight fall is recorded from 1901 to 1902. In 1907 there was again a special rise in prices, due to one of the periodically recurring inflations of trade, with a reaction in 1908. The general movement can thus be best shown by comparing 1902 and 1908 with 1913:

General Index-numbers of Wholesale Prices

	1902	1908	1913
United States	85	91	100
Canada	86	91	100
United Kingdom	82	86	100
France	81	87	100
Denmark	84	88	100
Germany	80*	91	100
Italy	87	94	100
Australia	97	102	100
New Zealand	93	96	100
India (Calcutta)	70	98	100
Japan	73	92	100

* In 1901.

The variations from country to country are only in part to be accounted for by the difference in method of compilation. In Australia and New Zealand the numbers fell in 1903 to 82 and 88 respectively.

Thus in America and in Europe prices advanced at from 1 to 1½ per cent per annum from 1902 to 1913 and in the eleven years increased by approximately one-fifth. There was very little change in the twelve months before the outbreak of war.

In the United Kingdom wholesale food prices increased rather less rapidly.

Index-numbers of Wholesale Prices in the United Kingdom
(*Statist*)

	1898	1902	1908	1913
Vegetable food	97	91	101	100
Animal food	78	88	90	100
Food generally	88	87	94	100
Minerals	63	74	80	100
Textiles	61	73	74	100
Materials generally	67	78	81	100
Food and materials	75	82	86	100

These figures, which relate principally to commodities subject to international trade, are probably typical for most industrial countries; but when we come to retail prices of food usually consumed we may expect more variation owing to the inclusion of dairy produce and home-grown meat.

INDEX-NUMBERS OF RETAIL PRICES OF FOOD

	1902	1908	1913
United States	74	84	100
Canada	70*	95*	100
United Kingdom	88	94	100
France	93	100	100
Netherlands	87	94	100
Belgium	77	88	100
Norway	80	87	100
Italy	90	93	100
Australia	84	86	100

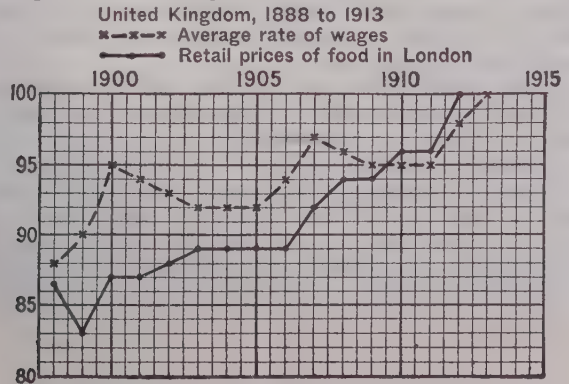
* 70 in 1900, 75 in 1905, 95 in 1910.

The general run of numbers is similar to that of wholesale prices, though the countries would come in different orders if tabulated according to their rates of increase. In the United Kingdom the numbers are practically the same as those showing wholesale prices of food, though the basis is quite different. The United States and Canada show the greatest increase, namely one part in three in eleven years or 2½ per cent per annum.

The rate of change in the most rapidly moving of these numbers is only equivalent to an annual growth in expenditure from (say) £40 or $200 to £41 or $205, and since it was masked by seasonal variations and by upward and downward movements of the prices of separate commodities, it could not have been recognised by the ordinary purchaser, unless he was living in the same circumstances throughout the period and keeping a careful account of expenditure. Nevertheless, it was sufficient to exercise a cumulative pressure on wage-earners. Our next task is to compare the movements of wages and prices.

Unfortunately statistics of wages in the period before the war are specially scanty and imperfect. In hardly any country except the United Kingdom have general averages been computed over a series of years, such as are necessary for forming a precise judgment. All the records agree in showing a slow advance in rates of wages during the period under review, comparable with the increase of prices, sometimes a little more rapid, in others so nearly equal as to be indistinguishable from it. (See Table, p. 465.) In other words, real wages, that is wages interpreted in terms of what they will buy, in general changed very little in the 10 or 15 years preceding the war. There was certainly no general increase such as that recorded in the last quarter of the nineteenth century, nor was there any marked decline.

In the United Kingdom the comparison is made difficult by the fact that in the years 1898 to 1900 wages rose more rapidly than prices, and part of this increase was maintained till 1902, so that if we began our comparison at that year we get a misleading view. The diagram shows the facts.



If all circumstances were taken into account it would be found that the average of all wages had risen more rapidly than prices in the 15 years owing to the more rapid growth of the better-paid industries. The comparison in the diagram, however, gives a true view for the majority who did not benefit by this tendency.

3. WHOLESALE PRICES, 1914 TO 1923

During the World War prices rose from two causes: one, the sudden and urgent demand for all materials and apparatus used in the conduct of war, combined with the interruption of means of supply and the withdrawal of men from civil work, which affected all industrial countries whether belligerent or neutral, and has been a common experience in all important wars; the other, the divorce of the currency of many countries from any close relationship to a metallic standard. Such a divorce has often taken place before in time of war and of revolution, notably in the United States during the Civil War, after the French Revolution of 1789, and to a trifling extent in England in the Napoleonic Wars.

It arises as follows: — A country has a limited supply of gold, sufficient for its normal trade, and supporting a mass of paper currency and silver tokens, etc., which can be freely converted into gold. At a shock to credit or security people hurry to exchange their paper for gold and very quickly the gold becomes insufficient. In the first days of the World War in England this exchange stopped, and paper money, that became in fact inconvertible, was issued, and similar methods were followed in other countries. Once the test of convertibility is removed, there is no limit to the possibility of extension of the amount of paper, except the difficulty of getting it into circulation. A government being faced with an immediate expenditure for war purposes, which cannot at once be met by increased taxes (which take some time to mature), can at first borrow the necessary amounts; but presently the loans that can be raised, even combined with the yield of increased taxes, prove to be insufficient, and governments take the easy course of paying for goods and services by newly printed currency notes of legal tender. The increased supply of money raises prices, subsequent payments are at higher rates, and more and more paper is needed and issued. This process can be checked by heavy taxation and frequent and large loans, and was so checked in the United Kingdom; it comes to an end when a government is again able to "balance its budget," that is, to meet the year's expenditure, including interest on debt out of the year's taxation. When it is not thus checked the issue of paper continues and its value falls till, as in Russia, Austria, Poland and Germany, it no longer circulates freely, and a state of barter is reached, or drastic measures are taken to reconstitute the whole currency on a sound basis.

That part of the movement of prices which did not depend on the issue of inconvertible paper is best studied in the statistics relating to the United States in Table I. There the index-number of wholesale prices increased nearly regularly from the middle of 1915 to the middle of 1920, at which date it showed that prices in general were about 2½ times those before the war. After the Armistice came a short-lived boom in trade, caused in part by the call for materials for reconstruction and replenishment of stocks, and in part by ill-founded optimism. A collapse followed in the early autumn of 1920 and prices fell rapidly for nearly twelve months, till in June, 1921, they were about 50% above the pre-war level; in the following two years there were only slight movements, such as usually take place in normal periods. In

TABLE I

INDEX NUMBERS OF GENERAL WHOLESALE PRICES, 1901 TO 1923, COMPARED WITH 100 IN 1913 IN EACH COUNTRY

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Average for	United Kingdom	Norway	Sweden	Denmark	Netherlands	Belgium	France	Germany	Italy	United States	Canada	Australia	New Zealand	South Africa	India (Calcutta)	Japan
1901	82.5	—	—	82	—	—	82	80	88	79	84.5	90	89	—	76	73
1902	82	—	—	84	—	—	81	—	87	85	86	97	93	—	70	73
1903	82	—	—	81	—	—	83	81	89	85	87	97	91	—	67	76
1904	82.5	—	—	83	—	—	81	81	90	85	87	82	88	—	66	80
1905	85	—	—	85	—	—	84	83	90	85	88	84	95	—	74	87
1906	91	—	—	88	—	—	90	93	94	88	93	87	98	—	87	86
1907	94	—	—	90	—	—	94	98	99	94	96	94	97	—	92	93
1908	86	—	—	88	—	—	87	91	94	91	91	102	96	—	98	92
1909	87	—	—	89	—	—	87	88	95	97	91	91	90	—	86	93
1910	92	—	—	93	—	—	93	90	97	99	94	92	94	—	83	90
1911	94	—	—	95	—	—	97	97	99	95	95	92	95	—	85	95
1912	100	—	—	101	—	—	102	104	100	101	99.5	108	96	—	95	100
1913	100	100	100	100	100	—	100	100	100	100	100	100	100	100	100	100
1914	100	115	—	100	105	100	103	106	96	98	103.5	106	104	97	103	95
1915	127	159	—	138	145	—	141	142	133	101	116	147	123	107	115	97
1916	160	233	—	164	222	—	191	153	201	127	137	138	134	123	129	117
1917	206	341	—	228	286	—	263	179	299	177	175	153	151	141	146	149
1918	226	345	—	293	392	—	341	217	409	194	208	178	175	153	185	196
1919	242	322	—	294	297	—	358	415	364	206	213	189	178	165	204	240
1920	295	377	359	390	281	—	512	1486	624	226	248	228	212	223	210	260
1921	188	298	279	260	179	366	347	1900	577	147	177	174	201	160	186	201
1922	155	233	173	179	160	367	328	34,200	562	149	161	162	178	128	185	196
1923 (June)	150	230	164	202	149	484	411	1,940,000	568	153	162	187	177	124	180	198

Canada, Australia, New Zealand and South Africa, which never moved far from the gold standard, prices followed a similar course. In the United Kingdom the rise began immediately after the outbreak of war; by June, 1916, it had reached 60% (as compared with 29% in the United States), after which the indexes in the two countries rose at nearly the same rates till the break was reached in 1920. Prices at first fell more slowly in the United Kingdom, but by the end of 1922 the indexes in the two countries showed nearly equal increases above the pre-war level. Actually there was very little movement after January, 1922, the Board of Trade index varying only between 154 and 162 till at least September, 1923 (pre-war 100).

In France and in Italy the inflation was much greater; for a few months in 1920 the index-number in France was over 500 and in Italy over 650.[1] In France the index fell till 307 was reached in February, 1922, but rose again till it was over 400 through most of 1923. In Italy the index fell only to 600, near which it remained in 1921, 1922, and 1923. In Germany the wholesale price index moved similarly to that in England during the war; after the Armistice it increased rapidly in spite of some checks till the débâcle in 1923. Here, and in Russia, Austria and Poland, it is impossible to follow the comparative movements of wholesale and retail prices and wages in a summary account. The course of prices in the Netherlands and in Scandinavian countries, which did not altogether escape the world-movement of inflated currency and high prices, can be studied in the tables.

In the autumn of 1923 the indications pointed to a general settling down of prices at 50 or 60% above the level of 1913 and at rather less than double that of 1902, each country coming into line as the convertibility of its currency is restored. That the general movements of prices was world-wide can be well seen by converting the index-numbers of each country from the local currency into dollars by the rates of foreign exchange. Index-numbers are 100 for 1913

	United States	United Kingdom	France	Italy	Sweden
3rd Quarter, 1920					
Wholesale index-numbers in currency	251	297	510	631	363
Exchange, per cent of parity	100	135½	272	410	132
Wholesale index-numbers in dollars	251	211	188	154	275
June, 1923					
Wholesale index-numbers in currency	153	159	409	614	166
Exchange, per cent of parity	100	105½	310	419	101
Wholesale index-numbers in dollars	153	152	132	146	165

In 1920 in France and Italy, when the exchange was bad, internal prices did not fully reflect the depreciation of the franc and lira.

4. RETAIL PRICES OF FOOD, 1914 TO 1923

The measurement of retail prices during the World War is specially difficult owing to the official fixing of prices and rationing of consumption (which tend to destroy the meaning of index-numbers), to the uncertainty as to what prices were really paid (since legal prices were often evaded), and to the change in the contents of the weekly budget by the substitution of one food for another and the general reduction in quantity, processes which the index-numbers do not reflect. These difficulties apply to neutral as well as to belligerent countries, for the shortage of food and attempts at its regulation were common to all Europe. For these reasons the figures in Table II for 1914–1918 are not precise measurements of any definable entity,

[1] Bachi's numbers; Ottolenghi's reckoning shows over 800.

TABLE II

INDEX NUMBERS OF RETAIL PRICES OF FOOD, 1901 TO 1923, COMPARED WITH 100 IN 1913 IN EACH COUNTRY

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Average for	United Kingdom	Norway	Sweden	Denmark	Netherlands	Belgium	France	Germany	Austria	Italy (Rome)	United States	Canada	Australia	New Zealand	South Africa	India (Bombay)
1901	87	83	—	—	87	76	97	82	74	88	70	70 (1900)	80	—	—	—
1902	88	79	—	—	87	77	93	83	74	90	74	—	84	—	—	—
1903	89	79	—	—	88	85	96	84	75	89	74	—	82	—	—	—
1904	89	78	—	—	88	82	97	85	78	88	75	—	78	—	—	—
1905	89	82	85	92	87	83	95	88	80	88	75	75	81	—	—	—
1906	89	83	88	—	88	84	93	92	84	88	77	—	81	—	—	—
1907	92	87	92	92	90	86	98	90	84	94	81	—	81	95	—	—
1908	94	87	95	—	94	88	100	91	87	93	84	—	86	95	—	—
1909	94	84	93	93	95	91	98	93	89	95	88	—	86	94	—	—
1910	96	86	92	—	99	92	102	94	93	98	92	95	88	95	—	—
1911	96	88	91	93	101	97	114	93	95	100	92	97	91	95	—	—
1912	100	95	97	99	104	100	113	100	100	98	98	100	103	98	—	—
1913	100	100	100	100	100	—	100	—	—	100	100	100	100	100	100	—
1914	102	101	103	99	100	100	98	—	100	102	101	105	104	106	99	100
1915	133	—	127	129	114	—	115	—	175	110	101	107	129	115	106	—
1916	163	164	146	141	117	—	137	—	338	118	112	120	137	122	110	—
1917	202	208	182	164	146	—	174	—	593	160	143	156	134	131	122	—
1918	219	272	253	182	176	—	233	—	1540	259	165	177	138	141	124	—
1919	223	279	330	201	204	—	286	—	3200	238	190	189	157	149	134	—
1920	261	325	305	255	224	466	378	—	6200	328	198	218	192	168	176	—
1921	233	298	256	259	212	435	367	—	19,700	433	149	165	174	174	143	169
1922	179	233	192	192	180	396	310	—	615,000	475	142	141	154	150	117	159
1923 (June)	163	213	163 (July)	190 (July)	167	426	332	—	—	475 (April)	144	139	168	146	120	146

but only show the dates and indicate roughly the rates of increase. It will be found on comparing the figures for wholesale prices in general with retail prices of food that the latter rose less than the former in every country during the war. So far as countries were self-supporting, retail prices, even after correction for depreciation of currency, can differ from one country to another, and governmental efforts to ensure the supplies of necessary foods and to keep down prices were successful to a considerable extent. The calculated increase, measured in local currency, from 1913 to (the average for) 1918, varied from 21% in Bombay to 172% in Norway, the index-numbers for retail food prices (100 in 1913) being in ascending order: Bombay 121 South Africa 124, Australia 138, New Zealand 141, United States 165, Amsterdam 176, Canada 177, Denmark 182, United Kingdom 219, Switzerland 222, French provincial towns 233, Sweden 253, Rome 259, and Norway 272.

After the Armistice the regulations affecting the supply and purchase of food were gradually relaxed and people returned in great measure to their pre-war habits of consumption, so that the relation of index-numbers to experience was closer. After a brief fall in the winter of 1918–1919 prices continued to rise till the middle or autumn of 1920, the index-numbers reaching 218 in the United States in June and 291 in the United Kingdom in October. Then a considerable fall took place, during nearly the same period as the fall of wholesale prices, in the United States, United Kingdom, Scandinavia and Holland, and a smaller fall in France. In Italy, on the other hand, prices continued to rise. In countries where the currency was not disorganised, as in Germany, nor seriously depreciated, as in France, Belgium and Italy, the net rise in the ten years 1913 to 1923 was much the same in retail as in wholesale prices, though there are small differences due in part to the inclusion of materials as well as food in the index-numbers of the latter. In France, Belgium and Italy the internal retail purchasing power of the currency depreciated less than its wholesale purchasing power. In no country for which statistics are available, except Germany and Poland, is there any great variation in the twelve months ending August 1923; even in Austria prices only varied 15% above and below a mean 12,300 times their pre-war level; and there is no indication of further change at the time of writing.

5. WAGES, 1913 TO 1923

Since 1914 the contrast between nominal wages, that is wages expressed in currency, and real wages, that is wages expressed in terms of the commodities they can purchase, must always be kept in mind. After we have measured the change in money wages, we must use a measurement of the change in the cost of living to find how real wages have moved. We can in fact generally only measure roughly the change in food prices as it affects wage-earners; in few countries are there any valid figures which include also rent and the prices of clothing, fuel and miscellaneous goods. There is reason to think that working-class rents have generally changed less and the cost of clothing more than have food prices, so that these items tend to balance each other, and food is not only by far the most important category of expenditure, but also its index-number reflects fairly well the movements of an ideal index-number including all expenditure. In the end we can only form a rough judgment on the question whether wages or prices have changed most. There is just sufficient information to substantiate the following general summary, which applies to most countries for which fairly adequate statistics exist.

TABLE III

INDEX NUMBERS OF AVERAGE MONEY RATES OF WAGES, 1900 TO 1923, COMPARED WITH 100 IN 1913 OR 1914 IN EACH COUNTRY

Average for	1 United Kingdom	2 Norway	3 Sweden	4 Denmark	5 Netherlands Building	5 Netherlands Mines	6 Austria	7 Italy	8 United States	9 Canada	10 Australia	11 New Zealand	12 South Africa	13 Japan
1900	95	69	—	—	—	—	—	—	—	—	—	—	—	62
1901	94	—	—	—	—	—	—	—	—	—	78	85	—	—
1902	93	—	—	—	78	—	—	—	—	—	—	87	—	—
1903	92	—	—	—	82	—	75	—	—	—	—	87	—	—
1904	92	—	—	—	82	—	75	—	—	—	—	87	—	—
1905	92	71	—	—	83	—	76	—	—	—	—	87	—	70
1906	94	—	—	—	—	—	79	—	—	—	80	87	—	—
1907	97	—	—	—	—	—	82	—	—	—	82	88	—	—
1908	96	—	—	—	88	93	—	—	—	—	83	90	—	—
1909	95	—	—	—	—	—	—	—	—	—	85	91	—	—
1910	95	81	—	—	—	91	90	—	93	—	88	91	—	88
1911	95	84	—	—	—	—	—	—	95	—	92	91	—	95
1912	98	89	—	—	—	—	—	—	98	—	97	92	—	100
1913	100	95	100	—	100	—	100	—	100	—	99	95	—	99
1914	100	100	—	100	—	100	—	100	101	100	100	100	100	100
1915	107*	107	—	—	—	106	—	—	105	—	102	101	—	100
1916	117*	124	119	—	—	123	—	—	111	—	105	106	—	—
1917	137*	164	145	—	—	143	—	—	127	—	114	111	—	—
1918	177*	190	207	about 180	167	184	—	—	157	—	118	116	—	—
1919	212*	260 to 280	268	about 300	—	226	—	—	180	—	130	131	—	—
1920	260*	350 to 450	306	340	200	280	—	—	207	180 to 192	146	—	166	—
1921	264*	about 350	304	320	300	280	—	533	—	167	170	—	155	—
1922	197*	Fall	Fall	250	325 falling to 290	240	—	526	—	162	168	Fall	Fall	—
1923	176*	—	—	—	—	—	—	—	—	—	—	—	—	—

* July of each year.

After the outbreak of war, rates of wages moved upwards more slowly than did prices, but owing to full employment, earnings at least kept pace with prices. After perhaps two years, wages in occupations least affected by the war failed to keep pace with prices, but frequent increases took place, so that the fall in real wages was slight, while actual earnings were increased by overtime, and since all possible members of working-class families were employed, real family earnings were rather higher in the last year of the war than in 1914, though their expenditure was restricted by the shortage of food-supplies. Immediately after the Armistice prices fell a little while wages kept up; in the boom that followed wages gained on prices, and real wages reached a maximum in the latter part of 1920 and were received in payment of a week's work reduced by about one-tenth. When prices began to fall in the latter part of 1920 in those countries where the currency was not continually inflated, wage-rates remained nearly at their maximum for a few months; but soon unemployment became acute and rates fell rapidly till the autumn of 1922. During the following year there were few changes, and in September, 1923, the computed net increases above pre-war levels of wages (still payable for the shortened week) were so nearly equal to those of prices, that it was doubtful which was the greater. In some industries a little advantage was preserved, in others there was a definite loss. Thus, at the end of nine years real wages have returned to their original level, but the working-class has secured for the present the advantage of increased leisure.

During the war there was a considerable levelling up of the wages paid to unskilled workers, to women, and generally to classes and in districts where wages had been specially low, so that the differences between grade and grade became relatively less. This happened partly from the feeling that for mere nourishment the needs of all were the same and the regulated increases were based on food prices and tended to add the same sum to all wages, thereby giving a greater relative increase to the lowest, and partly from a deliberate policy which the circumstances of regulation made possible. As wages fell after 1920 there has been some reaction from this policy, and the forces of competition have tended to bring wages back to their former relative position; but in Great Britain, at any rate, the differences between districts are less than before the war and unskilled labourers have maintained a slightly greater increase than skilled; agricultural labourers, however, have hardly improved on their low pre-war real wages.

In Table III is given a rough general table of wage-changes in those countries for which the statistics are at all adequate. The index-numbers should be compared with those of retail food prices in order that a rough judgment may be formed on the movement of real wages. The following paragraphs summarise the results for some countries.

United Kingdom. The following index-numbers [from *Prices and Wages in the United Kingdom, 1914–1920* (Bowley), pp. 104–5, brought up to date. See pp. 72–75 for the modified index-number] show the principal movements of rates of nominal weekly wages.

Middle of Year	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923
Bricklayers	100	102	108	122	157	185	235	222	168	161
Engineering Artisans	100	110	111	134	173	197	230	230	188	146
Coal-miners	100	113	129	136	187	222	242	208	133	130*
Bricklayers' labourers	100	103	115	134	185	224	300†	278	185	177
Agricultural "	100	112	—	—	189	226†	227†	277	192	168
General Average	100	105–110	115–120	135–140	175–180	210–215	260	264	197	176
Cost of Living:‡										
Official	100	125	145	180	205	210	252	219	184	169
Modified	—	120	135	160	180	185	220	210	180	165

* Earnings have not fallen so much as these rates.
† Raised to these levels in August.
‡ Including food, clothing, rent, fuel and miscellaneous.

The calculations of the Ministry of Labour indicate slightly lower numbers for average wages in the last two years.

United States. The maximum in 1920 was about 230 when the index for retail food was nearly 200. There is no adequate information about the extent of the subsequent fall.

France. Such information as exists indicates that *real* wages in 1919 were a little above the pre-war level; in 1920 *money* wages rose less than prices so that *real* wages fell to below the pre-war level, but in 1921 *money* wages fell less than prices till *real* wages were 10 to 20% up. Part of this advantage appears to have been lost in 1922 and 1923.

Italy. According to Professor Mortara it is probable that *real* wages in 1919 were still below the pre-war level, that they exceeded it in 1920, were some 20% above it in 1921, and had fallen back to it in 1922.

Norway. The maximum in 1920 varied from 320 to 440 in different occupations (compared with pre-war 100), when the food index was 325. By the end of 1922 real wages were in several occupations approximately the same as in 1914.

Sweden. Rates of wages increased less rapidly than food prices till 1920 when they were both at a little over 300. In 1921 prices fell but wages remained up. In 1922 real wages fell generally so that for skilled workers they were nearly at their pre-war level; unskilled workers and women preserved some advantage.

Denmark. Average weekly wages had risen considerably more than food prices by the end of 1919, and kept most of this advantage at least till the end of 1922.

The Netherlands. In the metal trades, public works and mines, the same remarks apply as in Denmark.

Canada. In skilled occupations wages had risen less than food prices from 1913 to 1920; by 1921 the increases were nearly equal; in 1922 food prices fell more than wages. Till 1922 unskilled wages had a greater advantage.

Australia. The increase of wages lagged behind that of food prices especially in 1914 to 1916. Wages did not catch up till prices fell in 1921; in 1922 the index-numbers were nearly equal.

South Africa. Men's *real* wages were estimated to have fallen 8% between 1914 and 1920, and then to have risen till in 1921 there was a net gain of 11%. In 1922 real wages fell, not improbably to the 1914 level. Women's wages rose more than men's.

CHAPTER XXVI

GREAT BRITAIN SEES IT THROUGH

By Sir John A. R. Marriott.

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On January 22, 1901, Queen Victoria died, full of years and honour, having reigned sixty-three years, seven months, and three days. The death of the aged Queen meant much more than the end of a reign, though that reign was certainly the longest and perhaps the greatest in all English history; it meant the close of an historical era. The mere substitution of a King for a Queen was in itself a shock to ingrained habits of mind. Three generations of Englishmen had grown up to think of a Queen regnant as part of the established order of the universe, or at least of that important part of it which acknowledged the sway of the Queen of Great Britain and Ireland and Empress of India. Could a "King" however popular occupy quite the same place in the hearts of the people as the "old Queen"? Anyway, the news of Queen Victoria's death caused something like consternation throughout the empire of which for more than sixty years she had been the living symbol, as well as the Sovereign Lady.

Moreover, the moment of the Queen's death added poignancy to the grief of her people. The stubborn resistance of the Boer republics in South Africa; the defeats which in the opening months of the war they had inflicted upon the picked troops of the British army; the unlooked-for prolongation of a struggle which most men had, in its inception, regarded as one more of the "little wars" in which the empire, on its frontiers, was so constantly engaged; the outburst of sympathy for the Boers among almost all European countries; the sudden revelation of the jealousy and dislike of most foreigners, and of the dangerous diplomatic isolation in which Great Britain consequently stood — all this had tried the nerves of a nation which was already mourning the loss of many of its best and bravest sons. Nor had the Queen ever shown herself more conspicuously representative of the feelings of her people, more indisputably the corner-stone of the national polity, than in the last years, and particularly in the last months of the reign. After a long period of mourning and seclusion she had emerged in 1887 to celebrate the Jubilee of her reign; her personal popularity had steadily grown during the years that followed and seemed to reach its zenith in the great Imperial Pageant of 1897. The reverses in South Africa served only to brace the octogenarian Queen to greater and greater activities; she visited the sick and wounded soldiers; she comforted the mourners; she went in and out among her people, as never before. In April, 1900, after an interval of forty years, she revisited Ireland. An act of tardy repentance, the visit might have been, but for untoward events, a means of reconciliation. The hearts of the Irish people were as deeply touched as was the Queen's.

"I am deeply gratified" — so she spoke in reply to an address of welcome from the Lord Mayor of Dublin — "that I have been able to see again the motherland of those brave sons who have borne themselves in defence of my Crown and Empire with a cheerful valour as conspicuous now as ever in their glorious past." Gratified the Queen well might be by her reception in Ireland; but it was an exhausting effort.

Within nine months the Victorian era was ended; a King reigned in England.

EDWARD VII KING

The first Council of the new reign was held on January 23, 1901; the King took the oaths of Sovereignty under the style of Edward VII, and expressed his determination to be a "constitutional sovereign in the strictest sense of the word, and as long as there is breath in my body to work for the good and amelioration of my people." The testing-time was, unhappily, not prolonged, but the pledge was faithfully redeemed. Born on November 9, 1841, King Edward was in his sixtieth year when he came to the throne. Rigorously excluded by the Queen's orders from all official knowledge of matters of State, he had been entrusted with a "Cabinet Key" only so lately as 1895. None the less his apprenticeship had been arduous, and his experience of affairs both varied and full. He had sedulously cultivated the acquaintance of every ruler in Europe, and of statesmen and publicists of all parties. Every current of opinion was familiar to him, and though he was no student in the technical sense, he had neglected no opportunity of picking the best brains in Europe. He had travelled constantly and widely, as no Heir Apparent had ever travelled before.

No King had ever come to the throne with such a knowledge of the world and its peoples, especially of the peoples he was destined to rule. By assiduous attendance at public ceremonies of every kind, by serious service on Royal Commissions, and in other ways, he had manifested his genuine interest in all that concerned the moral and material welfare of the people, while his keen zest for sport, his obvious *joie de vivre*, his personal charm and unfailing tact had endeared him to all classes. In the choice of a consort too he had been exceptionally fortunate. The beauty and kindliness of Queen Alexandra had made her the idol of the populace long before she became the first lady in the land.

The portents for the new reign were therefore, as regards persons, all of the happiest. Politically the sky was not so clear. The clouds which had lowered over South Africa were not in January, 1901, entirely dissipated: nor was the diplomatic position in Europe quite easy. Moreover, the greatest of the elder statesmen of England and of Europe was nearing the end of his long service to Crown and country. After the general election of 1900 Lord Salisbury handed over the Foreign Office to Lord Lansdowne, and in July, 1902, the former ceased to be Prime Minister, being succeeded by his nephew, Mr. A. J. (afterwards Earl of) Balfour. Nor did he long survive the surrender of office. In 1903 he died.

A NEW REIGN AND A NEW ERA

A new era opened with the new reign. A reaction against all that savoured of "Victorianism" was quick to disclose itself: in Art, in Letters, in Society, in Politics. Was it that in all these spheres the presence of an old lady on the throne had imposed a measure of restraint? Was it the quickening of

intellectual activities due to the closer contact of man with man in the new industrial cities? Was it the increasing restlessness to which new methods of transport and communication were manifestly ministering? Was it merely an ebullition of youthful exuberance frequently noted as a result of war? Whatever the explanation, the signs of a change were indubitably manifest. It may be well, at the outset, to indicate some of the directions it took.

In domestic affairs the accession of Edward VII coincided with the advent of Democracy. For half a century the middle classes had been in power. Enfranchised by the Parliamentary Reform Act of 1832 they had for the most part left the work of administration in the experienced hands of the great Whig families: Russells, Greys, Spencers, Stanleys and Cavendishes had filled their accustomed places. A Canning, a Peel or a Gladstone, with Eton or Harrow and Oxford to help them, might push their way to the front through the aristocratic ranks, but not until after the death of Palmerston (1865) did the middle classes come into their own. By that time Disraeli was making ready to shoot Niagara, and twenty years later the franchise conferred in 1867 upon the urban artisans was extended to the rural labourers. Already the fortress of the middle classes was undermined, but it was another twenty years before it surrendered, and a really democratic *régime* was inaugurated.

Never had England been better governed than between 1832 and 1867; but the dominant note was that of the middle classes. Preëminently respectable; moderate in all things; industrious, thrifty, peace-loving, England prospered. Queen Victoria typified in her own person all the virtues which were admired by her people and were reflected in the art and literature of the era which bears her name.

After 1901 things changed rapidly. No longer was policy dictated and expenditure curbed by those who had something to lose; power passed to those who thought they had something to gain. Puritan simplicity was replaced by extravagance (not of money only) and ostentation. No privacy was respected. Men and women, of good repute and ill-repute, were alike dragged into the arena of publicity and butchered to make a Roman holiday. People, great and small, began to live their lives under the public gaze. The Press daily gained in power, social and political.

A subtle change of temper began to manifest itself, and was reflected in current legislation. Self-reliance had been the watchword of the middle classes; the newly enfranchised began to look to the State. The doctrine of "*laissez faire*," as preached by Bentham and the Utilitarian philosophers, had indeed enjoyed a very fleeting triumph. England might open her ports to foreign products, but she could not leave the women and children in cotton-mills and mines to the cold comfort of unfettered competition; the new town-dwellers asked for protection in their lives if not for their trade. Hence a large crop of legislative measures between 1832 and 1867 for the amelioration of the lot of the manual workers. With their enfranchisement the pace naturally quickened. When the people had seized the reins of power they were no longer reluctant to invest the State with extended functions. Thus political democracy begat State Socialism. The great Leviathan became socially as well as politically omnipotent.

The doctrine of the State Omnipotent had its influence also on foreign politics, on the external relations of nation and nation. General Smuts has observed that "the cardinal fact of geography in the twentieth century is the shortening of distances and the shrinkage of the globe. . . . The result is that problems which a century ago or even fifty years ago were exclusively European now concern the whole world." That is true, but the truth is political as well as geographical: and it is connected not remotely with the exaltation of the idea of the State, and the growth of national self-consciousness.

The Economic Nationalism of List has found its counterpart in the desire of each self-conscious nation for "a place in the Sun."

That desire has been greatly stimulated by the marvellous development in the arts of industrial production, necessitating on the one hand a constant supply of raw materials, and on the other markets for the disposal of surplus products. Many of the sources of the essential materials are found only in tropical lands; most of the available markets are among non-European peoples. Thus have the forces of Industrialism and Commercialism reacted upon that of Imperialism; thus have European politics merged into Welt-Politik.

Under the operation of these forces: Democracy, Collectivism, Industrialism, Commercialism, Imperialism, the twentieth century moves on. Its progress will be indicated in the pages that follow.

The Last Years of the Unionist Government, 1900–1905

When Edward VII came to the throne the Unionist party had been in power for a period of fifteen years, broken only by the three years (1892–1895) of Liberal rule under Gladstone and Lord Rosebery. Gladstone's conversion to the policy of Home Rule for Ireland had given to the Conservatives, reinforced by an influential secession from the Liberals, a great opportunity.

THE IRISH PROBLEM

As regards Ireland the opportunity was redeemed. Lord Salisbury who had been called in 1885 to the leadership of the Conservative party, had declared that what Ireland needed was twenty years of resolute government.

For nearly twenty years his party was in a position to administer the prescription. In face of a widespread agrarian agitation; in spite of much disorder and many outrages, the supremacy of the law in Ireland was gradually vindicated. But resolute government formed only one ingredient in the dose. By a succession of Land Purchase Acts the landlords were brought out and the tenants were enabled, on easy terms, to become the owners of their farms. The Congested Districts Board set up by Mr. Arthur Balfour mitigated the poverty of some of the poorest parts of Ireland, while the Department of Agriculture and Technical Instruction, under the enlightened and vigorous direction of Mr. (now Sir) Horace Plunkett, helped to raise Irish agriculture to a condition of unprecedented prosperity. Under the wise administration of Mr. Arthur Balfour (Chief Secretary 1887–1892) and Mr. George Wyndham (Chief Secretary 1900–1905) everything was done to promote the economic and social regeneration of the country: local government was popularised; elected councils were set up in counties and districts, and the position of Poor Law Guardians was reorganised (1895). So effective was the policy that in 1905 emigration — a sure index of prosperity in Ireland — touched the lowest figures hitherto recorded (30,676), and Mr. Birrell, on taking office as Chief Secretary in January, 1907, like his immediate predecessor, Bryce, deliberately declared that Ireland had never been so peaceful for the last six hundred years. Even more remarkable was the testimony of John Redmond who speaking at Waterford in 1915 contrasted the Ireland of 1915 with that of the 'eighties. "To-day the people broadly speaking own the soil; to-day the labourers live in decent habitations; to-day there is absolute freedom in the local government and the local taxation of the country. . . . The congested districts, the scene of some of the most awful horrors of the old famine days, have been transformed, the farms have been

enlarged, decent dwellings have been provided, and a new spirit of hope and independence is to-day among the people."

That the Irish "problem" was not finally solved either by firm administration or by legislative benevolence will become painfully clear in subsequent chapters, but impartial history is bound to admit that the Unionist party had no cause to be ashamed of the record of their twenty years' government of Ireland.

In the first years of the new century the preoccupation of the country and of the Government was not, however, with Ireland, nor even with England, but with South Africa.

THE SOUTH AFRICAN PROBLEM

From the time when England, having twice conquered the Cape Colony, purchased it from the Netherlands (1814), there had been friction between Britons and Boers in South Africa. Irritated beyond endurance by what they regarded as the meddlesomeness of the English Government the Boer farmers at last determined to seek freedom in the vast hinterland of South Africa. With their wives, their children, their household gods and their cattle they trekked to the north (1836–1840), and ultimately established the two Boer republics: the Transvaal and the Orange Free State. The policy adopted by successive British Governments towards these states was grievously vacillating. Now they would proclaim (as in 1848) the sovereignty of the Queen; now as by the Sand River Convention (1852) and the Bloemfontein Convention (1854) they would virtually acquiesce in Boer independence. But Boers and Britons were not alone in South Africa. The natives far outnumbered both, and but for British intervention the Boers of the Transvaal would probably have been "eaten up" by the Zulus and the Matabele. In 1877 the Transvaal was annexed to the Crown, and in 1879 a British force broke, not without difficulty, the power of the Zulus. The Boers could once more breathe freely; the English having destroyed their enemies, had now to meet the Boers in the field. A disastrous war (1880–81) ended in the retrocession of the Transvaal to the Boers.

Meanwhile, a new strain had been introduced into South African society, first by the acquisition of the Kimberley diamond-field, and later by the development of the gold-mines of the Transvaal. As Sir Charles Lucas has well said: "The digger, the capitalist, the company promoter jostled the slow-moving Dutch farmer and quickened the pace of life." This jostling issued in the Jameson Raid in 1895, and four years later in the outbreak of war between Great Britain and the two Boer states. Essentially the cause of the conflict is to be discovered in the incompatible ideas and ideals of the Boer farmers and the British settlers. Never since 1815 had it been decided which of the two was to prevail. The wobbling of the British Government enhanced the uncertainty. Had Great Britain in 1814, or in 1836, or even in 1877, announced a definite policy and unflinchingly adhered to it, war might perhaps have been avoided. That a handful of Dutch farmers, inspired though they were by high courage and by a fanatical devotion to outworn ideas, could permanently arrest the development of their country and its great natural resources, was impossible. Equally impossible was it that settlers of British blood should permanently accept a position of political inferiority in a land which, owning the suzerainty of their Queen, was to be their home. Behind Kruger's obstinacy in 1899 was the memory of a hundred irritations, easily magnified into "wrongs," inflicted on the earlier European settlers by the later comers. But if the Boers were looking to the past, Rhodes and Jameson, Chamberlain and Milner were looking to the future. The recent partition

of Africa among the European Powers, in particular the German acquisitions to the north-east and to the west of British possessions, still further complicated the problem.

Sir Alfred (now Viscount) Milner was appointed Governor of Cape Colony and High Commissioner of South Africa in 1897, and soon came to the conclusion that matters could not remain as they were. The Boers, naturally enough, attempted to take advantage of the failure of Jameson's raid to obtain from Great Britain an acknowledgment of their complete independence: but against this Chamberlain was adamant. Lord Milner, on the other hand, vainly attempted to obtain from Kruger some concessions for the British settlers — the Uitlanders, in the Transvaal.

Recourse to arms was almost inevitable, and the Boers declared war on October 10, 1899. With the military details of the struggle this narrative is not concerned. Suffice to say that the British Government underrated the gravity, and mistook the military character of the war in which they were involved. The forces at first sent out were inadequate in numbers, and inappropriately equipped. Hence the disasters of the "Black week" in December, 1899. Lord Roberts who went out in January, 1900, with Lord Kitchener as Chief of the Staff, quickly redeemed the military situation. The siege of Kimberley was raised on February 15; Cronje was compelled to surrender with over 4,000 Boers at Paardeberg on the 27th; Ladysmith, held by Sir George White with superb courage, was relieved on the 28th; and Mafeking on May 17th. Meanwhile Lord Roberts had entered Bloemfontein on March 13, and on May 28 proclaimed the annexation of the Orange Free State, and that of the Transvaal (after the occupation of Pretoria, June 5) in September.

It was too hastily assumed that with the taking of Bloemfontein and Pretoria the Boer opposition would collapse, and in November Lord Roberts returned home and left it to Lord Kitchener to clear up the mess. The process proved to be prolonged and costly.

Meanwhile, the Parliament elected in 1895 was nearing its natural term, and the Unionist leaders deemed it prudent to take advantage of the enthusiasm aroused by the victories in South Africa to secure a renewed lease of power. Parliament was accordingly dissolved in September, 1900, and the "Khaki" election, held in October, gave the Unionists a majority of 134 over all other parties combined. To this brilliant result the extraordinary vigour displayed by Chamberlain in the electoral campaign largely contributed. Yet for him and for the Unionist party the victory was in a sense Cadmaean.

Between Liberal "Imperialists," such as Mr. Asquith, Sir Edward (now Viscount) Grey and Mr. (now Viscount) Haldane, and men like John Morley and Sir Henry Campbell-Bannerman there was a considerable cleavage; but it was insignificant compared with the fissure which was presently to reveal itself in the Unionist ranks and to condemn that once-powerful party to impotence. But that is to anticipate events. The earlier part of the new Parliament was, save on the item of education, not greatly concerned with controversial issues.

KING EDWARD VII

The opening of a new reign necessarily concentrated attention upon the Crown. Despite his mourning the King opened Parliament in person on February 14, 1901. Not since 1885 had Queen Victoria performed that ceremony, and only seven times in all during the last forty years of her reign. A select committee was promptly appointed to consider the provision that

should be made for the maintenance of the King and the royal family in the new reign and on its report, unanimous save for Mr. Labouchere's opposition, the new Civil List was based. The new King, like Queen Victoria, relinquished on his accession the chief hereditary revenues of the Crown; the Duchy of Cornwall, with revenues of £60,000 a year, passed to his eldest son, and he himself succeeded to the Duchy of Lancaster, with revenues of a like amount. The new Civil List was fixed at £470,000 a year, or £85,000 in excess of that enjoyed by Queen Victoria. The surrendered hereditary revenues had, however, during the late Queen's reign increased in value from £245,000 to £425,000. The nation, therefore, made a good bargain with the new sovereign. Annuities of £20,000 and £10,000 were also voted to the Duke and Duchess of Cornwall and York respectively, and £18,000 to the King's daughters. A significant addition was also made to the Royal Titles the form of which was henceforth to be: "Edward VII by the Grace of God of the United Kingdom of Great Britain and Ireland *and of all the British Dominions beyond the Seas* King, Defender of the Faith, Emperor of India." The italicised words were new, and were added with the general assent of all British parties, a unanimity in striking contrast to the bitter feeling evoked by the addition, only twenty-five years before, of Empress of India to the style of Queen Victoria. So fast had imperial sentiment deepened. Further recognition of the same fact was afforded by the tour of the Dominions undertaken during the first year of the new reign by the Duke and Duchess of Cornwall and York. On their return in November the Duke was created Prince of Wales, under which title he visited India in the winter of 1905–1906.

The South African War had not been ended by the annexations of the Boer States. Through the autumn of 1900, and all through 1901, Louis Botha, De La Rey and De Wet waged guerilla warfare with consummate ability, but at last the grim tenacity of Kitchener reaped its reward; Boer women and children were collected into concentration camps, and by a system of blockhouses the whole country was slowly but effectually subdued. Yet even at the end of 1901 the prospects of peace seemed remote. Towards the end of March, 1902, however, negotiations for peace were opened, and after prolonged discussions, terms were at last agreed to at Vereeniging on May 31.

THE UNION OF SOUTH AFRICA

No question of a restoration of the independence of the Boer States was, or could be, entertained; they remained incorporated in the dominions of the Crown. Generous terms of amnesty were, however, granted to the defeated combatants: a sum of £3,000,000 was placed at their disposal for the repatriation of the people and the restoration of their country; the continued use of the Dutch language in schools was assured, and representative government, as a prelude to complete self-government, was to be conceded as soon as circumstances should permit to the two annexed States.

The generosity of these terms was promptly justified. Under the wise administration of Lord Milner and his successor the Earl of Selborne the work of reconstruction was carried through so quickly and so successfully that it was found possible to confer responsible government upon the Transvaal in 1906, and a year later upon the Orange River Colony. But responsible government now enjoyed by all the four colonies in South Africa could not, in itself, solve the constitutional problem. The common interests of the four colonies necessitated some form of union between them. In particular there were four questions of insistent importance in some degree common to all

the colonies: railway rates and communications; tariffs; the labour question; and above all the fact that Boers and Britons taken together were vastly outnumbered by the indigenous tribes of South Africa. Common action on these and other matters was imperative, but whether circumstances enjoined a federal or a unitary form of political coöperation was a point hotly debated.

Delegates from the four colonies met at Pretoria in May, 1908, to consider questions of railway rates and tariffs; but discussion on these questions soon made it clear that no permanent solution would be found so long as Cape Colony and Natal, the Transvaal and the Orange River Colony remained separate political entities. Consequently, later in the year, a convention met at Durban to consider the larger problem. In December the discussions began at Durban were continued at Cape Town, and after three months of detailed discussion, behind closed doors, a scheme for union was agreed upon, and was later approved by each of the colonial legislatures.

The scheme as ultimately worked out was not federal but unitary in character. The four colonies agreed to merge their separate identities in that of a United South Africa, and to accept the status of Provinces. To this decision two considerations, among others, mainly contributed: (1) that distinctions in South Africa ran essentially upon lines not of locality, but of colour; and (2) that the urgent economic problems were more easily soluble under a unitary constitution. The terms of the agreement reached in South Africa were embodied in a bill which in 1909 was enacted with the cordial assent of all parties, in the Imperial Parliament, and on May 31, 1910, the Union of South Africa was proclaimed and Viscount (formerly Mr. Herbert) Gladstone took the oath of office as first Governor-General. Before that happy consummation was finally reached, a new King reigned in England. It has seemed convenient to complete the sketch of South African affairs, but we must rapidly retrace our steps.

No Englishman was more anxious to see the end of hostilities in South Africa than Edward VII. That he should go to his coronation in the shrine of the Confessor, while his soldiers were still battling in South Africa, seemed to Edward the Peacemaker unthinkable. Yet the Peace of Vereeniging was signed only just in time (May 31), for the Coronation was fixed for June 26. On the 24th the public learned to their consternation that the King was seriously ill, that an immediate operation was imperative and that the Coronation must be postponed.

The whole empire, eagerly awaiting the news that the King-Emperor had been crowned, was suddenly plunged into deep anxiety. Happily the operation was successful; recovery was rapid; on July 5 the King was pronounced to be out of danger, and on August 9 he was crowned at Westminster with high ceremonial pomp and amid scenes of immense popular enthusiasm. The Coronation of Edward VII was rendered memorable by the fact that for the first time the ceremony was attended by the statesmen and princes not only of the motherland but of the daughter states of the empire and by representatives of India and other dependencies and colonies. Other ceremonies, mostly illustrative of this new and momentous feature of the Coronation, followed in quick succession: on August 12 there was an Investiture and parade of colonial troops; a parade of Indian troops on the 13th, and a Naval Review at Spithead on the 16th — a ceremony in which the Boer Generals, Botha, De Wet and De La Rey, so lately in the field against Great Britain, arrived just in time to participate. On October 24 the King and Queen made a progress through some of the poorer parts of London and lunched with the Lord Mayor at the Guildhall, and two days later their Majesties attended a solemn service at St. Paul's Cathedral to render thanks for the King's restoration to health.

THE FAR-FLUNG BRITISH EMPIRE

The visit of the statesmen of the outer empire was not merely ceremonial. Advantage was taken of their presence at the Coronation to hold another Colonial Conference — the fourth of a lengthening series. The first stone of this new Imperial structure had been laid in 1887, coincidently with the first Jubilee of Queen Victoria; a second was added at Ottawa in 1894; a third coincided with the second Jubilee in 1897. From the first the Colonial statesmen had expressed themselves strongly in favour of closer commercial relations between the homeland and the colonies. The Ottawa Conference declared for preferential trade within the empire and in 1897 Mr. Chamberlain who, for the first time, presided as Colonial Secretary showed himself to be sympathetic with colonial views, but the existence of commercial treaties between Great Britain and Prussia and Belgium, and the most favoured nation principle, constituted a serious obstacle to the realisation of the scheme. After the Conference of 1897, however, these treaties were at the request of the Premiers of the self-governing colonies, denounced, and Canada promptly gave a lead to the empire by according a preference to British imports, with results to British trade which were encouraging.

In 1902 the colonial Premiers agreed to recommend to their several Parliaments preferential treatment for British goods, and at the same time urged upon the home Government " the expediency of granting in the United Kingdom preferential treatment to the products and manufactures of the Colonies."

Thus was the challenge flung down to the principle which for sixty years had dominated England's fiscal policy: a challenge destined to raise a new and large issue in the domestic politics of the motherland.

Apart from this Imperial problem, the record of the first years of the new reign is not of outstanding interest or importance. The services of Lord Roberts and Lord Kitchener in South Africa were recognised by Parliamentary grants of £100,000 and £50,000 respectively, and, in view of the defects revealed by the recent war, attempts were made in 1901, 1904 and 1907 to reorganise the army, without recourse to the principle of conscription. Of these the third carried through by Mr. (now Viscount) Haldane was the most important. A First Line of defence was to be furnished by a regular army of 160,000 men; and a Second by a Territorial and Home Force — to consist of the old militia, the old Yeomanry, and Volunteer — of 300,000 men. These forces formed the nucleus of the vast armies sent over sea from 1914–1918, and, as far as they went, proved themselves a model of efficiency. More important, however, than any scheme of army reorganisation was the establishment (1903) on Mr. Balfour's initiative of a permanent Committee of Imperial Defence.

Lord Salisbury survived by only thirteen months his resignation of the Premiership. His death (August 22, 1903) marked the passing of the last of the great statesmen of the Victorian era. Premier for a longer period than any of his Victorian predecessors he will be remembered chiefly as a great Foreign Minister, who by his caution, his skill, and above all by his high character and essential magnanimity inspired great confidence not only among his own countrymen, but among all the diplomatists of Europe. His detestation of Turkish misgovernment induced the confession that in the recent past, England had, in Near Eastern affairs, " put her money on the wrong horse "; but though essentially peace-loving and devoid of jealousy, he was adamant when, as in Egypt, essential British interests were involved. Of the diplomatic legacy which he bequeathed to Lord Lansdowne more will be said hereafter.

THE EDUCATION ACT OF 1902

Mr. Balfour signalised his succession to the Premiership (July, 1902) by an attempt to solve the thorny problem of national education. The Act of 1902 abolished the specially elected School Boards which since 1870 had controlled the education of all children except those who attended "voluntary" schools, and vested the control of all secular education alike in the state ("provided") or voluntary ("non-provided") schools in the County, Borough or District Councils. Religious instruction in the non-provided schools was still to be controlled by Managers appointed by the Denominations who on their part were to remain responsible for the upkeep of the buildings. Large provision was also made for secondary and higher education. It was a courageous attempt to reconcile the divergent views of denominationalists and dissenters: but it was bitterly resented by the latter who organised widespread resistance against the payment of rates the proceeds of which were to be applied to teaching tenets of which they disapproved. In time the agitation, somewhat artificial in its inception, died down, and the Act of 1902 proved itself to be a considerable landmark in the history of national education, and has indeed formed the keystone of the educational arch from that day to this.

Meanwhile, Mr. Balfour's principal colleague, Mr. Chamberlain, was making a triumphal progress in South Africa (November, 1902–March, 1903), whence he returned to find to his chagrin that his colleagues had decided to repeal the registration duty of one shilling per quarter on imported wheat, only revived in 1902. The duty had produced a revenue of £2,000,000 without affecting the price of bread; but the strict Free-Traders were alarmed lest even so minute a duty should open the door to a revival of protection. Undoubtedly, the advocates of an inter-imperial trade policy, both at home and in the colonies, did regard the 1/– duty with the gratitude that hopes for more. *Obsta principiis* was the retort of the Free-Traders.

TARIFF REFORM

Nor was Mr. Chamberlain slow to take up the challenge. In a speech addressed to his constituents in Birmingham (May 15) he boldly declared himself in favour of a complete reversal of recent fiscal policy; of preference for colonial products, and of the imposition of retaliatory duties against foreign countries which had erected tariff barriers against British goods.

Thus was the Tariff Reform campaign inaugurated. It caused much perturbation in Parliament, in the Unionist party, and most of all in the Cabinet which was hopelessly divided on the subject. Mr. Balfour, to allay apprehensions, was constrained to announce that the fiscal question would not be dealt with in the existing Parliament; but his influence could not avert a break-up of the Cabinet; in mid-September Mr. Chamberlain resigned and was followed into retirement by four of the free-trade wing of the Ministry: Mr. Ritchie, Lord George Hamilton, the Duke of Devonshire and Lord Balfour of Burleigh.

What did these resignations portend? Had the Premier surrendered to the Tariff Reformers or to the Free-Traders? The personnel of the reconstructed Cabinet afforded no decisive clue; Mr. Austen Chamberlain succeeded Mr. Ritchie as Chancellor of the Exchequer, but Mr. Victor Cavendish, heir to the Dukedom of Devonshire, became Financial Secretary to the

Treasury, while Mr. Lyttelton on Lord Milner's refusal, became Colonial Secretary. Mr. Balfour's dexterity held his Government together for two more years, but the centre of interest had already shifted from Parliament to the platform, and the Press. Mr. Chamberlain displayed untiring energy in the campaign, and gathered round him a band of stalwart helpers. But the free-trade citadel was not to be carried by storm, still less could it be carried by the tactics preferred by Mr. Balfour. In November, 1905, Mr. Chamberlain appealed to the Unionist party to declare unequivocally for tariff-reform, and Mr. Balfour, realising the hopelessness of postponing decision any longer, resigned office. The long period of Unionist ascendancy was over; would the "Union" survive?

Democracy in the Saddle — Social Reform, 1906–1912

The task of forming a new Ministry was entrusted to Sir Henry Campbell-Bannerman, who became First Lord of the Treasury and Prime Minister — the first Englishman to whom as Prime Minister official precedence was accorded. The Liberal party had been out of office for more than ten years and in the interval had been rent by dissensions, personal and political. Lord Rosebery had resigned the leadership of the party in 1896, and Harcourt had withdrawn two years later; but the latter's death in 1904 following that of Lord Kimberley in 1902, and combined with Lord Spencer's serious illness (1905), cleared the path for the man who, in the darkest hour of Liberalism (1899), had been chosen as leader of the party in the House of Commons. Not that Campbell-Bannerman experienced any difficulty in forming a Ministry, exceptionally strong both in administration and debate. Asquith (who became Chancellor of the Exchequer), Grey at the Foreign Office, and Haldane as Secretary for War, represented Liberal Imperialism; Lloyd George at the Board of Trade and Morley at the India Office gave strength to the left wing; John Burns, the first Labour member to attain Cabinet rank, went to the Local Government Board; while among the junior members of the Government then were such promising "youngsters" as Winston Churchill, R. McKenna, L. V. Harcourt, W. Runciman, Herbert Samuel and many others. Lord Crewe, Sir H. H. Fowler, Bryce and Birrell were in the Cabinet. Campbell-Bannerman survived his accession to the Premiership for only seventeen months, but in power as in opposition, he led his party with great shrewdness and good humour, and among all parties in the House of Commons he left, when he passed away, a fragrant memory.

Overwhelming Defeat of the Unionist Party

The result of the General Election which followed (January, 1906) quickly upon the formation of the new Ministry illustrated the tactical error of resignation. Had Balfour dissolved instead of resigning, the result might have been better for the Unionist party — it could hardly have been worse. The main issue submitted to the electors was that of Free Trade *v.* Tariff Reform, but great play was also made with the cry of "Chinese Slavery," in allusion not quite ingenuous to the introduction of a number of Chinese labourers into the South African mines, under the Chinese Labour Convention (1904). The Unionist party, hopelessly divided on the Tariff question, was smitten hip and thigh, and secured only 157 seats; the Liberals numbered 377; the Irish Nationalists 83, but the new political portent was the return of no fewer than 53 members strictly pledged to adherence to the "Labour"



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Bush House in the Strand, London (completed 1923), with the church of St. Mary-le-Strand in the foreground. (Inset) Mr. Harvey Wiley Corbett, the architect of Bush House.

programme. Only one "Labour" member, Mr. Burns — a man of autocratic though kindly temper and of strong individualistic instincts — found a place in the Cabinet, but the appearance in such strength of a Socialist party could hardly fail to colour the legislation even of a Liberal Government returned on the issue of *laissez-faire*. To placate the right wing of Liberalism the Irish question had been tacitly dropped — for the moment. The production (1907) of a measure of "Devolution" to set up an Irish Council soothed the consciences of the English Home Rulers; its rejection by a Nationalist Council in Dublin grieved nobody. Mr. Birrell who early in 1907 succeeded Bryce as Chief Secretary, on the latter's happy selection as British Ambassador to Washington, had however the satisfaction (1908) of establishing a really adequate and efficient Roman Catholic University in Ireland. The problem had baffled many previous efforts; its solution removed an ancient and genuine grievance.

ASQUITH PREMIER — LLOYD GEORGE CHANCELLOR OF THE EXCHEQUER

On Campbell-Bannerman's resignation (April 6, 1908) Mr. H. H. Asquith succeeded to the Premiership. A brilliant Balliol scholar and a successful barrister Asquith had come so quickly to the front in politics as to attain Cabinet rank in 1892; only six years after his entry into the House of Commons. A successful Home Secretary in Gladstone's last Ministry, he had since 1895 played a conspicuous and honourable part in opposition. Cool in temperament, terse, lucid and incisive in speech, a sound economist, with no love for extremes in either direction, he was plainly marked out for high place. In 1908 he attained the highest. His principal lieutenant and successor at the Exchequer was Mr. Lloyd George. The two men were strongly contrasted, though their gifts were perhaps politically complementary. A young Welsh solicitor, without tradition or much education of the formal kind, but endowed with a gift of magical eloquence, of ardent temper, generous sympathies and indomitable courage, Lloyd George had been a real force in opposition to the Unionist Government. The idol of Wales, he had risked opprobrium as a champion of the Boers; a strong Nonconformist he had encouraged passive resistance to Balfour's Education Act of 1902. Appointed to the Board of Trade in 1906 he had revealed unsuspected powers of administration and great patience in negotiation. Convinced that finance was the key to constructive radicalism he had (if the jade speaks truly) claimed the second place in 1908, and though his party was rich in ability his was the driving power behind the coach during the Asquith Premiership (1908–1916).

LIBERAL MEASURES

The new Government was remarkable for its large output of social legislation. An Act to facilitate, under public authority, the provision of allotments and small holdings for cultivating tenants was passed in 1907. In 1908 an Act was passed for providing pensions for persons over 70 years of age up to a maximum (on a sliding scale of income) of 5/– a week. Persons with incomes of £31 10., or in receipt of poor relief (other than medical) were excluded. In the same year an elaborate effort was made to deal with the sale of intoxicants, under licence, but the Bill which was hotly opposed both in Parliament and in the country was, after passing through the Commons, rejected by the Lords. An Act establishing a maximum eight-hour

day for coal-miners was, however, passed, though not without serious misgivings which experience has justified. The 1909 crop included a Development Act authorising grants or loans from the Exchequer for agriculture, forestry, rural transport, harbours, canals, etc., and setting up a Road Board to construct new roads or make grants on loans to highway authorities, and a Housing and Town Planning Act. More important, however, than any legislation was the publication in that year of two searching Reports by the majority and minority of a Royal Commission on the Poor Laws which had for some years been investigating the problem under the chairmanship of Lord George Hamilton, an ex-Minister of great ability and long and varied experience. The Reports made a profound impression but did not immediately issue in legislation.

Even more important was the judgment (December, 1909) of the Supreme Court of Appeal, which decided that the payment of Members of Parliament by Trade Unions was illegal. This "Osborne" judgment was directly responsible for a Constitutional innovation of the first magnitude — the payment of £400 a year from the Exchequer to Members of Parliament (carried in August, 1911), and also for an amendment of the law by which, with some safeguards for dissentients, Trade Unions were permitted to devote a portion of their funds, earmarked for the purpose, to political objects. The position thus created is bitterly resented by those Trade Unionists who do not share the Socialist opinions to the propagation of which the Act has plainly contributed.

Political interest in the year 1909 was, however, concentrated upon Mr. Lloyd George's first Budget which raised highly controversial issues and eventually precipitated a grave Constitutional crisis, to which reference will be made later on.

THE COMPENSATION AND INSURANCE ACTS

Supplied, as he erroneously supposed, with fresh financial resources, and fortified by two fairly successful appeals to the country (January and December, 1910), the Chancellor of the Exchequer went on his way rejoicing. To mitigate the evils of unemployment Labour Exchanges were set up in 1910, and before Easter 100 were open and had registered 270,000 persons seeking employment. These Exchanges have hardly satisfied expectations; they are expensive to maintain, and they have not won the full confidence either of employers or wage-earners. Of much greater importance were Mr. Lloyd George's proposals (1911) for a national scheme of insurance. Already in 1906 by the Workmen's Compensation Act the liability of employers for injuries to persons in their employment had been practically extended to cover all manual labourers, and indeed all employees earning less than £250 a year. The Act of 1911 applied primarily to insurance against sickness, the cost being divided, in unequal proportions, between the workman, the employer and the State. All employed persons earning a weekly wage, or less than £160 a year, were, with few exceptions, such as soldiers, sailors and teachers, to be insured, to the total number of 15,000,000. They were to receive free medical attendance and an allowance of 10/– a week for a maximum of 26 weeks; women were to receive a maternity benefit of 30/–; and local authorities were to be helped to build sanatoria for tuberculosis cases. The total charge was estimated for the first year at £9,000,000 on employers; £11,000,000 on employees and £1,742,000 on the State, but the State's liability would obviously increase rapidly.

Another part of the same measure laid the foundations of insurance against unemployment. This was to apply only to some 2,400,000 workmen

engaged in the particularly precarious trades of shipbuilding, engineering and building. Employers and employees were to pay 2½d. per week, per man, and the State one-fourth of the whole cost. The scheme was received with much criticism, and even some derision, but it was conceived on bold and broad lines, and has been abundantly justified in its results. The cost, however, is heavy and the benefits are inadequate. Of the many contingencies to which the wage-earner is liable, only some are covered by the Act. It has, indeed, done something to dissipate the sense of insecurity which is preëminently the curse of modern industrialism; but though the benefits have been increased and the scope of the scheme has been much extended since 1911, much still remains to be done. Unrest and discontent among the manual workers, still more the baneful tendency to a limitation of output, are largely due to the sense of insecurity, which only adequate benefits provided under a comprehensive scheme of insurance can dissipate.

SOCIAL UNREST — AN EPIDEMIC OF STRIKES

The unrest which prevailed among important sections of wage-earners presented, indeed, to all classes a grave problem. Various causes — psychological, political and economic — were at this time combining to accentuate it. The younger workmen, at once better educated than their fathers and more pleasure-loving, craved more leisure both for amusement and for self-improvement; other classes seemed to be increasingly bent on "having a good time"; why not they? Political enfranchisement — the Acts of 1867 and 1884 had not brought much satisfaction to the wage-earners; the aggregate wealth of the country was rapidly increasing, but the share of it which fell to the manual workers seemed to them inadequate; the benefits promised by the working-class movements of the nineteenth century, notably Trade-Unionism and Coöperation, had fallen far short of expectations; wages seemed to them too low and hours too long. Hence sporadic unrest and not infrequent strikes. Thus at midsummer, 1911, on the eve of the Coronation of King George V, the merchant seamen struck and wrung important concessions from the powerful shipping Federation; the dockers, the carters and finally the railwaymen came out in August, at a moment when relations between England and Germany had almost reached the breaking-point. How far the root of the trouble was economic, how far the movement was political; whether it was due to propaganda by revolutionary syndicalists; whether, unknown to the men, foreign influences were contributing to unrest — it is not, even now, possible to decide. Be the causes what they might, the symptoms were profoundly disquieting. In all 100 new disputes began in August, involving no fewer than 373,615 workmen, and resulting, for August alone, in a loss of 2,323,800 working days. The crisis was one of real gravity; troops were called out to protect the railway lines, stations and signal boxes, and the Government, notably Mr. Lloyd George, worked incessantly to restore peace. On August 19 at 11 P.M. a truce was patched up with the railwaymen, and the men returned to work. On October 10 the Government announced that an Industrial Council, nominated by the Board of Trade and equally representative of employers and employees, would be set up under the chairmanship of a great conciliator, Sir George (now Lord) Askwith, to deal with industrial disputes. This Council was intended to supplement and strengthen the operations of the Board of Trade, in the discharge of its duties under the Conciliation Act, 1896, but it possessed no compulsory powers, and it has functioned less effectively than was hoped.

Early in 1912 industry was again threatened with paralysis by a strike

of the coal-miners which lasted from February 26 to April 11. Railway traffic was disorganised and much suffering was caused to casual labourers and the workers in the pottery, glass and other trades. That the revolutionary syndicalists had been active in preaching their subversive doctrines, especially in South Wales, admits of no doubt; but happily saner counsels prevailed and, combined with the enactment of a Minimum Wage Bill, secured temporary peace in the coal-fields. Under this measure a minimum wage for underground workers was to be fixed in each district by a District Board. The Boards were to be equally representative of employers and workmen, with an independent chairman, appointed by agreement, or failing agreement by the Board of Trade. Precautions were also taken to safeguard regularity and sufficiency of output. Admittedly introduced as an emergency measure, the Act contained the germ of a principle capable of wide application.

The foregoing summary, though brief and not exhaustive, will suffice to show that domestic politics between 1906 and 1912 were by no means devoid of interest, incident and excitement; but throughout the whole period forces were operating in Europe which were destined to issue in a world-cataclysm of dimensions so gigantic as to overshadow all other interests, while in the latter half of it attention was concentrated at home, upon a struggle which beginning with fierce contention as to the details of a Budget widened out into a Constitutional issue of the first magnitude.

Democratic Finance and the Second-Chamber Problem

On April 29, 1909, Mr. Lloyd George introduced to the House of Commons, in a speech of four hours' duration, a Budget which may fairly be described as historic. It was under discussion on 72 Parliamentary days, including several all-night sittings, and finally passed the House of Commons on November 4 by 379 to 149 votes. But that was only the beginning of the great fight. The House of Lords, while admitting that in matters of pure finance the House of Commons must be supreme, contended that Mr. Lloyd George's proposals were political rather than financial and were intended to prepare the way for a social revolution which the House of Lords was, at its peril, bound in the national interest, to arrest. Mr. Winston Churchill frankly admitted that the Budget embodied "a new idea, pregnant, formidable," and the Lords insisted that changes so revolutionary ought not to be accepted by them without the express sanction of the Electorate. Consequently on November 30, on Lord Lansdowne's motion they rejected the Finance Bill by 350 votes to 75. The Commons retorted by a resolution, that, "the action of the House of Lords in refusing to pass into law the financial provision made by this House for the service of the year is a breach of the Constitution and a usurpation of the rights of the Commons." Parliament was then prorogued and on January 10, 1910, was dissolved. To Caesar both Houses had appealed.

In that appeal there were in fact two issues: (1) the financial proposals of 1909; and (2) the much larger and more permanent question as to the constitutional relations of the two branches of the Legislature.

The Financial Problem

Finance was not a simple problem. Social reform costs money; the navy was calling for more money too, and to meet an increased expenditure of

£16,000,000 it was proposed to tax motor-cars; to increase the duties on spirits and tobacco; to increase the liquor licences, the death duties on the larger estates, and the tax on the higher incomes; and to impose three new land taxes: (1) an increment tax on site values; (2) a tax of 10 per cent on leasehold reversions: (3) a tax of ½d. in the £ on undeveloped building land; and (4) a tax of five per cent on mining rents and royalties. The land taxes would seem to have combined almost all the vices which taxative imposts can possess. Ill-designed for purposes of revenue; grotesquely unequal and unfair to individuals; uncertain in their incidence; pregnant with possibilities of friction; vastly complicated; expensive to collect; and above all almost certain to intensify the social evils which it was their avowed purpose to assuage. Experience has completely justified the critics. Instead of encouraging building and development, the new taxes arrested them and have been largely responsible for the shortage in housing accommodation which is one of the most deplorable features of the contemporary situation.

Against the Budget as a whole and the new land taxes in particular a loud outcry immediately arose. Described by its author as "The People's Budget," it unquestionably constituted a fierce attack upon accumulated wealth and especially on that portion of it invested in land. Mr. Lloyd George claimed that "the land clauses . . . must have the effect eventually of destroying the selfish and stupid monopoly which now so egregiously mismanages the land." Such language betrayed the animus which inspired the proposals, and it was the animus even more than the proposals which aroused strenuous opposition.

Financially they proved a complete fiasco. They involved landowners in great trouble and expense, they created infinite friction, but they produced no net revenue; they never even paid the expense of collection and in 1921 they were repealed, with hardly a protest from any responsible quarter, by a Government of which their author was the head.

THE HOUSE OF COMMONS *vs.* THE HOUSE OF LORDS

If, however, we accept the view, the object of "The People's Budget" was political rather than financial, it cannot be denied that its success was immediate and decisive. It provided an occasion for that trial of strength between the Lords and the Commons to which many Radicals had long looked forward with eager anticipation. Some of them regarded it as a pious duty bequeathed to the party by Mr. Gladstone, for the old statesman's last speech in Parliament (March 1, 1894) was a vigorous assault upon the coördinate legislative authority of the Second Chamber. In 1893 the House of Lords had contemptuously rejected Gladstone's second edition of Home Rule; in February, 1894, the Lords had so amended the Employers' Liability Bill as to lead the Government to abandon it; and in the same month had carried a series of important amendments to the Parish Council Bill. The cup of their iniquity was, in Gladstone's view, nearly full. The Government accepted the amendments, but speaking, as Morley tells us, with "rising fire" Gladstone said: "We are obliged to accompany that acceptance with the sorrowful declaration that the differences, not of a temporary or casual nature merely, but differences of conviction, differences of prepossession, differences of mental habit, and differences of fundamental tendency, between the House of Lords and the House of Commons, appear to have reached a development in the present year such as to create a state of things of which we are compelled to say that in our judgment it cannot continue. . . . The issue which

is raised . . . is a controversy which, when once raised, must go forward to an issue."

During the ten years of Unionist rule which followed so soon upon Gladstone's retirement no more was heard, naturally, of the iniquities of the House of Lords, but many of the more serious politicians on both sides felt that those years offered an opportunity to Conservative reformers, the neglect of which argued extraordinary political recklessness. Be that as it may, the Liberals were no sooner back in power, than the old game recommenced. In 1906 the Lords rejected a Plural Voting Bill, and so amended an Education Bill that the Government dropped it. Consequently in 1907 Campbell-Bannerman moved a resolution, "that in order to give effect to the will of the people as expressed by their elected representatives, it is necessary that the power of the other House to alter or reject bills should be so restrained by law as to secure that within the limits of a single Parliament the final decision of the Commons shall prevail."

Nothing came of this resolution, and the Lords proceeded to "fill up the cup." In 1907 they rejected a Land Values Bill for Scotland, and a Licensing Bill in 1908. In 1909, taking their courage in both hands, they rejected the Finance Bill.

RESULTS OF THE ELECTION

The issue was now joined; yet it was less clear than it might have been. The questions submitted to the Electorate were two: (1) do you approve of the Budget proposals? (2) do you endorse the claim of the Lords to reject it? The answer was consequently not free from ambiguity. The Electorate returned Liberals and Unionists in virtually equal numbers (274 to 272); Labour representation was reduced to 42; the Nationalists numbered 84. Assuming that Labour sided with the Liberals on the main issue, the Nationalists plainly held the balance. Nor did they fail to use their advantage. A coördinate Second Chamber was an insurmountable obstacle to Home Rule. But if the Nationalists (who in the Budget controversy had taken no sides) were to help the Liberals to curtail the "veto" of the Lords, the Liberals must pledge themselves to use their new powers to carry Home Rule.

The bargain was virtually, if not verbally, struck, and the King's Speech, read by King Edward in person on February 21, 1910, foreshadowed proposals "to define the relations between the Houses of Parliament so as to secure the undivided authority of the House of Commons in finance and its predominance in legislation." This promise was fulfilled; in March resolutions were proposed and carried, and at the end of April were embodied in a "Veto" Bill. The Bill provided that if for more than one month the Lords withheld their assent to a Money Bill, it might be presented to the King, and on his assent become law; that the Speaker should certify whether a Bill was or was not a Money Bill; that ordinary Bills, if passed by the Commons in three successive sessions might, on their third rejection by the Lords, be presented for the King's assent; that two years must elapse between the introduction of such a Bill and its final passage through the Commons, and that the maximum duration of Parliament should in future be limited to five years.

On April 14 Mr. Asquith declared in menacing terms, that if the Lords rejected the proposals of the Government, they would tender advice to the Crown, and if they found themselves "unable to give statutory effect to their policy" in the present Parliament, they would resign or recommend

a Dissolution. "Let me," he proceeded, "add this, that in no case shall we recommend a Dissolution except under such conditions as will secure that in the new Parliament the judgment of the people, as expressed at the election, will be carried into law." However veiled his language, Mr. Asquith's meaning was unmistakable: the King was to be asked to give a contingent guarantee that, in the assumed event, he would create a sufficient number of new Peers to overcome the resistance of the Lords.

Before the threat could materialise a tragedy intervened; King Edward returned from Biarritz only to die (May 6, 1910), and was succeeded by his only son as George V.

THE KING IS DEAD — LONG LIVE THE KING

The death of an exceedingly popular King, a man, moreover, of great experience and exceptional shrewdness, was a profound shock to the nation, and, for the moment, hushed political controversy. People had felt great confidence that King Edward's calm judgment, his perfect tact and temper, his mellow wisdom and almost unfailing sagacity would have found a way out of the political dilemma. It might well have been so; but anyway the King's death, at this juncture, was an irreparable loss to his people. And not to them only, as the next chapter will show.

To his son King George the genuine sympathy of the whole nation was extended, alike for the loss of a beloved father, and for his accession to the throne under circumstances so embarrassing to its occupant. Under an impulse common to all parties the leaders endeavoured to secure a settlement by consent. A small conference of eight persons, drawn equally from the two parties and from both Houses, met on June 17 behind closed doors. By July 29 Mr. Asquith was able to announce that such progress had been made that negotiations would be resumed in the autumn, but after more than 20 meetings the Conference finally broke down on November 10, and on the 18th Parliament was dissolved.

Two days before the Dissolution Mr. Asquith and Lord Crewe had an interview with King George, and placed before him a Cabinet memorandum in the sense announced by Mr. Asquith in April. According to the account of that interview, given by Lord Crewe to the House of Lords in the historic debate on August 8–9, 1911, the King faced the contingency with "natural and . . . legitimate reluctance." It was understood that His Majesty was told that if he accepted the alternative — the resignation of the Asquith Ministry — "he might place himself in the awkward position of bringing the Crown into a party controversy." Thus, in the words of Lord St. Aldwyn (August 9, 1911) the King was placed "in the most cruel position in which any Sovereign could be placed."

The General Election took place in December; but the electors had not changed their minds since January, and the result for parties was "as you were." The Nationalists were still masters of the situation; nor were their terms modified.

The Parliament or "Veto" Bill, on the lines already indicated, was introduced in February; the second reading was carried by 368 to 243 on March 2, and the third by a similar majority on May 15. During the next two months, pageantry and politics were strangely intermingled. The King and Queen were crowned, amid great demonstrations of national — nay of Imperial — loyalty and affection on June 22, and in July the young Prince of Wales, an ingenuous and engaging lad of 17 was, with picturesque and moving ceremonial, invested at Carnarvon Castle. The inspiration was a

happy one and the occasion peculiarly auspicious; for anxious days were in store for the Crown. Would the Peers yield before the storm? Was it not their plain duty to resist to the end, and go down, if need were, fighting? Would the King assent to their coercion? If the hereditary branch of the Legislature were submerged under the democratic flood, could the hereditary monarchy survive?

THE HOUSE OF PEERS SIGNS ITS DEATH-WARRANT

Such were the anxious questions men put to themselves and each other in the summer of 1911. Meanwhile, Lord Lansdowne and the Unionist Peers had propounded an alternative to the Parliament Bill. The Lords had already in 1907 shown their willingness to reform themselves and their House by the appointment of a Select Committee under the chairmanship of Lord Rosebery — a life-long advocate of Second Chamber reform. The Report of this Committee (1908) marked an epoch in the history of the question; it proved that the leading Peers were agreed that a radical reform of the Second Chamber was imperative, and were agreed also on the main lines of such reform. In the autumn of 1910 the Lords affirmed, again on the initiative of Lord Rosebery, two important propositions: (1) that henceforward no Lord of Parliament should be permitted to sit and vote in the House of Lords merely in virtue of hereditary right; and (2) that it was desirable that the House should be strengthened by the addition of new elements from the outside.

Lord Lansdowne's Bill of 1911 was framed in the spirit of these resolutions. The new Second Chamber was to consist of 325–350 members, representing three distinct elements: (1) 100 Lords of Parliament elected by the Peers from among such Peers as were qualified by public service; (2) 100 Lords nominated by the Crown; and (3) 120 Lords chosen by some method of indirect election. The Princes of the Blood Royal, the two Archbishops and five Bishops, and the Law Lords were to find places in a Chamber which would number less than 350 in all.

The effort was heroic but it was too late. Had it been made in 1900 it might have altered history. But the fate of the Parliament Bill was still uncertain. Would the Peers pass the Bill or compel the Government to the methods of coercion already foreshadowed? Would the King feel bound by the hypothetical promise (if promise there was) extorted from him in November, 1910? The Peers were divided between "Hedgers" and "Ditchers"; between a party which thought it better to accept the Parliament Act and avert the shame of being "swamped" by the creation of some 500 Radical Peers, and those who wished to die in the last ditch and compel the Crown and its Ministers to employ a weapon as odious as it was dangerous. The "Hedgers" prevailed, and amid scenes of unparallelled excitement the Parliament Bill was allowed to pass. On the same day (August 10) that the Peers signed their own death-warrant, the Members of the House of Commons voted salaries of £400 a year to themselves.

THE THIRD HOME RULE BILL PASSED

The new weapon supplied by the Parliament Act was not allowed to rust. The Irish Nationalists promptly and naturally claimed their wages, and in 1912 the third Home Rule Bill was passed through the House of Commons and sent up to the Lords who contemptuously rejected it. The Third Edition

of Home Rule differed somewhat from the two previous editions. The Bill of 1886 had abolished Irish Representation in the Imperial Parliament; that of 1893 retained 80 members in the House of Commons; but they (and the Irish representative Peers) were not to be entitled to "deliberate or vote" on any question exclusively affecting Great Britain "or some part thereof." The inconvenience of this "in and out" arrangement was so palpable, that in 1912 Mr. Asquith decided to retain 42 Irish members in the British House of Commons for all purposes. The Bill specifically and emphatically re-affirmed (for what such affirmation might be worth) the "supreme power and authority of the Parliament of the United Kingdom." The Irish Parliament was to consist of the King and two Houses; a nominated Senate and a House of Commons, and was to be debarred from dealing with certain subjects, such as the Crown, the army and navy, treaties with foreign Powers, treason, etc. The Executive was to be responsible to the local Legislature, and to be subject to the same limitations of jurisdiction. Ulster, despite its own grim determination and repeated protests, was to be brought into the scheme. The whole structure was a piece of ingenious and elaborate mosaic; here a bit of black stone, and there a bit of white; with something for the ardent separatist, something for the timid devolutionist, something for the well-meaning federalist.

The Bill was again proposed in 1913; passed through the Commons in 1913 without the change of a comma (as required by the Parliament Act), and rejected by the Lords.

In 1914 it was again passed and rejected, but before it could receive the royal assent the empire was involved in the World War. Negotiations between parties ensued; and when, on September 18, 1914, the royal assent was given to the Bill a Suspensory Act was simultaneously passed under which the operation of the Home Rule Act was suspended for 12 months in any event, and if by then the war was not ended, until such further date, not later than the date of the termination of the war, as might be fixed by Order in Council. In fact, the Act never came into operation, being repealed by an Act for the better Government of Ireland, similarly still-born, in 1920.

During the summer of 1914 a dangerous situation had developed in Ireland. North and South had alike armed themselves; it looked as though the passing of the Home Rule Act would give the signal for the outbreak of civil war in Ireland. To avert it the King summoned a conference attended by Mr. Asquith, Mr. Lloyd George, Lord Lansdowne, Mr. Bonar Law, Sir Edward Carson, Captain Craig (afterwards the first Prime Minister of Northern Ireland), Mr. John Redmond and Mr. Dillon. The King urged an agreement, but the conference, after several meetings, dissolved without result. A few days later war was declared against Germany.

DISESTABLISHMENT OF THE CHURCH IN WALES

If the Irish Nationalists got their pound of flesh from Mr. Asquith, so did the Welsh Nonconformists. The Welsh people had long ago desired the disestablishment and disendowment of the English Church in Wales, and in 1912 a Bill to effect this object was passed through the House of Commons and rejected by the House of Lords. The subsequent history of this measure was precisely parallel with that of the Home Rule Bill, save that on the termination of the war the Welsh Bill became operative and the Irish Bill did not. The Welsh dioceses were divorced from the Anglican Establishment, all endowments prior to 1662 (about £173,000 a year) were alienated, and a Welsh Commission was set up to take over existing Church

property (including the endowments since 1662) and to administer it. So energetically have the churchmen in Wales set about the reorganisation of their polity and their finances that the Church in Wales is stronger, both in a financial and administrative sense, than it was before the Act. The alienated income has passed partly to the University of Wales, and partly to the County Councils.

Apart from Ireland and Wales, and recurring industrial disputes, already noticed, the domestic history of Great Britain was, in the years immediately preceding the war, almost a blank. Coming events on the Continent were already casting their shadow before them, and to a review of the policy of England, in connection therewith, we must next turn.

Great Britain and Its Neighbours

foreign policy, 1902–1914

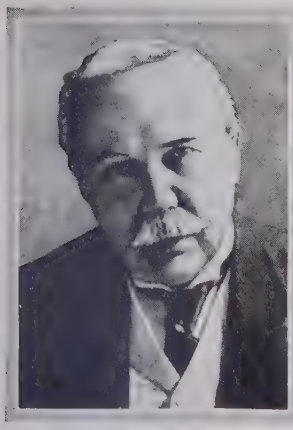
The Boer War revealed to England the fact that she was none too popular among her neighbours, and to her neighbours the fact that however great England's potential strength, naval and military, she was incapable of dealing a swift military blow. Yet, paradoxically, the first result of the Boer War was to improve Anglo-German relations. Not that they had yet become really bad. Bismarck, though half mistrustful and half contemptuous of England, saw in her primarily a potential enemy of France, and true always to his policy of isolating France, encouraged the English occupation of Egypt. Moreover, England had shown herself conspicuously friendly to German enterprise in Africa and in the Pacific. It is true that at the moment of the young Kaiser's accession (1888) many Germans were bitterly indignant at what they conceived to be the intrigue of the two august Englishwomen who had, as they thought, secured for the Princess Royal of England the position and dowry of an ex-Empress. Nevertheless, the Kaiser's first inclinations were towards an accord with England, and the Anglo-German agreements of 1890, 1898 and 1899 were the result.

Consequently in November, 1899, Lord Salisbury could say with complete sincerity "our relations with the German nation are all that we could desire."

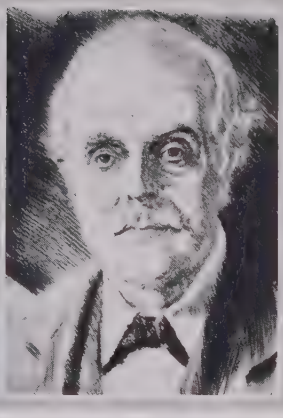
His most influential colleague went even further. In that same month Mr. Chamberlain was invited to meet the German Emperor and his Foreign Minister, Count (afterwards Prince) von Bülow at Windsor, and was induced by Bülow to make a public pronouncement in favour of "a new triple alliance between the Teutonic race and the two great branches of the Anglo-Saxon race." The pronouncement was, however, badly received in Germany, and Bülow was base enough (in the Reichstag, December 11, 1899) to reject the advances made at his own instance. "In the new century," he declared with emphasis, "Germany must be either the hammer or the anvil." The application of the analogue was unmistakable.

relations with germany in the new century

In 1900 Count von Bülow succeeded to the Chancellorship and, despite the good-will evoked by the Kaiser's attitude at the time of Queen Victoria's death, he set himself deliberately to keep the two countries apart. He even credited England with a Machiavellian design to embroil Germany in a conflict with Russia and France, in order that, profiting by the preoccupation of



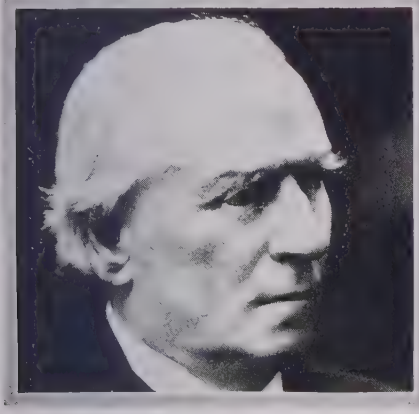
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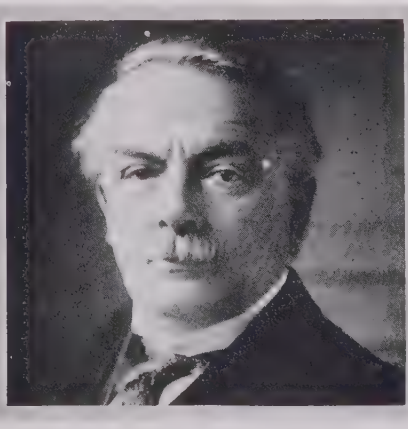
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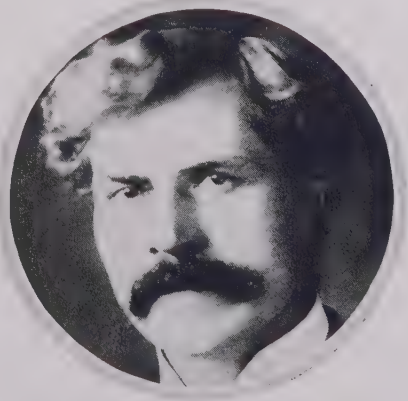
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BRITISH PRIME MINISTERS OF RECENT YEARS

all her rivals in the colonial field, England might pick up unconsidered trifles in Asia and Africa. The progress of Germany, colonial, naval and commercial, was, in his view, bound sooner or later to bring her into conflict with England.

Had the German navy been ready, the conflict might have come while England was pre-occupied in South Africa. Germany's neutrality was, as Bülow confesses, "solely inspired by weighty considerations of the national interests of the German Empire." Nevertheless, the two Powers coöperated in bringing Venezuela to reason in the winter of 1902–1903, though the cooperation of the two fleets was far from popular in England, while Count Bernstorff, at that time Secretary to the German Embassy in London, thought that Germany was unwise to take joint action in this matter with Great Britain.

Relations were not improved, either by the refusal of England to facilitate the completion of the Bagdad railway (1903), or by the threat of Germany to retaliate against England as she had already retaliated against Canada, because the Dominion had given a preference to British goods.

Meanwhile, Von Tirpitz was pushing on as rapidly as possible the fulfilment of the naval programme in Germany, and England was retorting by the construction of a first-class naval base at Rosyth, by building big battleships and by concentrating her strongest fleet in the North Sea. Still, Lord Roberts entirely failed to rouse any general fear of a German attack.

THE ALLIANCE WITH JAPAN

Nevertheless, the orientation of British policy was undergoing a complete if gradual change. In 1902 the world was astounded to learn that the island Empire of the West had emerged from the splendid isolation which had been characteristic of its relations with its neighbours, and had concluded an actual treaty of alliance with the island Empire of the East. The Allies were to coöperate to preserve peace in the Far East, to maintain the integrity of China and Corea, and the "open door" to commerce with those countries; Japan was assured that, in the event of an attack upon her by Russia, the British fleet would keep the ring and would intercept any European intervention on behalf of Russia. Great Britain on her part secured a strong naval ally in the Pacific, and converted into a friend a Power whose rapid development was anxiously regarded in Australia.

Such a treaty was plainly of first-rate diplomatic significance, and its value to Japan was demonstrated when in 1904 war broke out between that country and Russia. At one moment it seemed likely that England would herself be involved in the war. On October 21, 1904, the Russian Baltic fleet, under the command of Admiral Rodjestvensky, finding itself in the midst of a flotilla of British trawlers off the Dogger Bank, opened fire upon them with fatal effect. In the face of this monstrous blunder — if blunder it was — and of the excitement aroused by it in England, the English Government showed commendable restraint, and, after an impartial enquiry, accepted an apology and compensation. As for the Baltic fleet it no sooner reached Japanese waters than it was sent to the bottom by Admiral Togo. The battle of Tsushima finished the war, which imposed a definite check upon Russia's advance in the Far East and at home gave a powerful stimulus to the reform movement. In the East Japan henceforth occupied a position of unquestioned preëminence.

Nor were the reactions of the war confined to the combatants.

THE "ENCIRCLEMENT" OF GERMANY

Edward VII had not been long on the English throne before he began to exercise a powerful, if intangible, influence upon the foreign policy of his country. It had long been his habit to take his holidays upon the Continent, and he was connected by ties of blood and friendship with most of the European dynasties. "*L'oncle de l'Europe*" was an appellation as accurate as it was suggestive. That he deliberately set out to "encircle" Germany, or to upset the existing equilibrium of Europe is probably untrue; but it is certain that he discerned more clearly than most of his subjects and even some of his Ministers the danger which threatened the peace of Europe and the security of England, from the side of Germany. Nor had anyone more accurately gauged the instability of the Kaiser's character and the consequent menace to the tranquillity of his neighbours.

In the spring of 1903 King Edward after visiting Lisbon and Rome made his first ceremonial visit as King to Paris. His reception though correct was chilly. Anglo-French relations had not been cordial for many years past, and at times had been severely strained. But the Fashoda crisis (1898) had cleared the air and the appointment of M. Paul Cambon to London, and of Delcassé to the Quai d'Orsay, were of good omen for a better understanding between the two countries. King Edward, in a few days' visit, completely captivated the heart of Paris and of France. In a memorable speech he testified to his attachment to Paris, and stated with emphasis his conviction that "the days of hostility between the two countries are happily at an end." That King Edward was the author of the *Entente* is not, of course, true; but it is undeniable that his tact and charm did an immense deal to promote an atmosphere of good-will.

In July President Loubet, accompanied by Delcassé, returned King Edward's visit; in October an arbitration treaty between Great Britain and France was concluded; and in April, 1904, there were signed a number of Conventions and Declarations which formed the basis of the Anglo-French *Entente*, and paved the way for the Grand Alliance of 1914. The Preoccupation of Russia in the Far East left France in an exposed position *vis-à-vis* Germany in the West. Great Britain, on her side, was becoming increasingly alive to the menace of the German fleet. It was natural, therefore, that the Western Powers should draw together.

The settlement was comprehensive and included in its ambit Africa, Asia, Australasia and North America. French fishing rights in Newfoundland had caused friction between the two countries ever since the Treaty of Utrecht (1713). By the new arrangement France retained certain fishing rights, but abandoned any claim to monopoly. In West Africa England made important concessions to France on the Gambia and the Niger and in Guinea. Boundary questions in Siam, tariff difficulties in Madagascar and Zanzibar respectively, with various small points in regard to the New Hebrides, were satisfactorily adjusted. But the central point of the agreement was, of course, North Africa. Briefly, France recognised, for the first time, the actual position of England in Egypt; England recognised the predominant claims and interests of France in Morocco.

VISITS OF KING EDWARD

Such was the kernel of the famous *Entente*. How far it was from an attack upon Germany, or from an attempt to "encircle" her is plain, not only

from the summary given above, but from the fact that in July, 1904, Great Britain concluded with Germany an Arbitration Treaty precisely parallel with that concluded with France in 1903, and that in the same summer King Edward, with the First Lord of the Admiralty in attendance, visited the Kaiser at Kiel. Some years later he paid, with Queen Alexandra, a state visit to Berlin. Nothing indeed was omitted by King Edward to maintain the friendliest personal relations with the reigning monarchs of Europe and their Ministers. Rome, Lisbon, Athens, Madrid, Copenhagen, Stockholm, Christiania were visited in turn, and most of the reigning Sovereigns were entertained in England. In 1906 the King and Queen paid a state visit to Paris, and in 1908 an English Sovereign for the first time visited St. Petersburg. Scarcely a year, however, passed without an interchange of visits between the English and German courts, and in 1907, after a week at Windsor where he was accompanied by the Empress, the Emperor spent nearly a month at Highcliffe Castle in Hampshire. Thrice King Edward visited the aged Austrian Emperor; thrice during his brief reign he visited Ireland. So far as personal intercourse can maintain good political relations, King Edward laboured assiduously in the cause of peace.

But the stars in their courses worked against him and the cause he had at heart. The German Chancellor and his representative in Paris alike acknowledged that Germany had no reason to object to the Anglo-French *Entente* which was "very natural and perfectly justified." Nevertheless, the Kaiser immediately set himself to prepare a counter-stroke. First, he tried to detach Russia from France, or failing that to form a Franco-Russo-German alliance against England and Japan. The famous *Willy-Nicky Correspondence* (published in 1917) harped on this theme, and in July, 1905, the Kaiser so far prevailed over the weak mind of the Tsar Nicholas as to induce him to sign the secret Treaty of Björkö. This treaty provided that if any European Power should attack either of the two empires, the other should come to its assistance. At the instance of the Tsar's Ministers the treaty was subsequently modified, but it none the less illuminates the workings of the Kaiser's mind at this juncture. His second plan was to put a public humiliation upon France.

THE ALGECIRAS CONFERENCE

On March 31, 1905, the Kaiser visited Tangier and had several conferences with the Sultan's representatives, and ostentatiously took under his protection the independence of Morocco and the rights of its Sultan. He was indeed reported to have declared that he had come there to enforce the sovereignty of the Moroccan ruler, the integrity of Morocco, and the equality of commercial and economic interests. This impertinent speech was followed by an arrogant demand that France should dismiss her Foreign Minister, Delcassé (as the ostensible author of the *Entente*), and should submit the question of Morocco to a European Conference. Delcassé held that there was no necessity for a conference, but Prince Bülow used menacing language and after a period of much stress, M. Delcassé resigned (June, 1905) and France, conscious of her unreadiness for immediate war, gave way on both points, and in January, 1906, a Conference met at Algeciras. Its results, as summarised by Bülow, were: (1) to bolt "the door against the attempts of France to compass the Turcification of Morocco"; and (2) to provide "a bell we could ring at any time should France show any similar tendencies again." Less partial opinion concluded that the Conference instead of disproving, as Germany had hoped, the solidity of the Anglo-French understanding, served only to demonstrate it afresh.

AN UNDERSTANDING WITH RUSSIA

In the *Entente,* however, there was one weak link. France was allied with Russia, and England had reached a good understanding with France; but between England and Russia there had not, until Algeciras, been any *rapprochement.* During the next eighteen months, however, there was a frank interchange of views between London and St. Petersburg, and, in August, 1907, an agreement was happily reached. It was no less comprehensive than that with France, covering all the questions outstanding between the two Powers in Central Asia, with particular reference to Tibet, Afghanistan and Persia. Both parties pledged themselves to abstain from all interference in the internal affairs of Tibet and to seek no concessions there. As regards Afghanistan Russia agreed, subject to the consent of the Ameer (never yet obtained), to recognise Afghanistan "as outside the sphere of Russian influence," and "to conduct all political relations with it through the intermediary of Great Britain"; while Great Britain declared that there was no intention of changing the political status of Afghanistan, and undertook to exercise her influence in a pacific sense and not to encourage any steps against Russia. Both countries were to enjoy equality of commercial opportunity in Afghanistan.

The most important agreement, however, concerned Persia. There was to be an "open door" in Persia for all nations and the integrity and independence of the country were to be respected by England and Russia, but three spheres of influence were, at the same time, mapped out. The Russian sphere embraced the north and centre, including the cities of Tabriz, Teheran, Ispahan. The British sphere was in the south and east, and embraced the coastal district of the Persian Gulf and the Indian Ocean up to the frontiers of Baluchistan. Interposed between them was a neutral zone in which both Powers were free to obtain such political or commercial concessions as they could.

On points of detail the Anglo-Russian agreement was unquestionably open to criticism; but the significant fact was that any agreement should be reached, and France in particular rejoiced that her two friends, so long estranged, could at last shake hands.

Germany naturally looked askance at this further instalment in the policy of "encirclement," but, as usual, the Kaiser was ready with his counter-stroke. The opportunity for it was afforded, as so often, by Balkan politics.

Ever since his accession the German Emperor had manifested a keen interest in the solution of the problem of the Near East, and had ostentatiously held out a hand of friendship to one of the bloodiest tyrants who ever reigned at Stamboul — "Abdul the damned." Ceremonial visits were paid to Constantinople in 1889 and (just after the Armenian massacres) in 1898. The second was followed by a concession of the port of Haidar Pasha to the *German Company of Anatolian Railways.* A railway was to be constructed from Constantinople to Bagdad, and thus to form a link in the chain which already stretched from Hamburg to Constantinople, and which might be further extended from Bagdad to Basra. Had the scheme been completed it would, by a continuous land route, have turned the flank of the Sea Empire. Meanwhile Germany's Habsburg ally was in Bismarck's phrase "gravitating" towards the Aegean and the Adriatic. His calculated gift of Bosnia and Herzegovina (1878), supplemented by the military occupation of the Sanjak of Novi-Bazar, increased the momentum. In 1908 the Balkans were in ferment. A committee of *Young Turks* deposed Abdul Hamid and proceeded to Europeanise Turkey; Prince Ferdinand proclaimed the independ-

ence of Bulgaria; Crete united itself to Greece, and the Emperor Francis Joseph announced the formal annexation of Bosnia and Herzegovina (hitherto only "administered" by Austria) to the Habsburg Empire.

The action of Austria-Hungary in thus tearing up the Treaty of Berlin was profoundly disturbing to all the Powers. Serbia which saw the last hope extinguished of an enlarged Yugoslav Kingdom with access to the Adriatic, appealed to them for intervention. Russia would gladly have gone to her help, but Russia was rent by internal discords and had not yet recovered from the defeat inflicted upon her by Japan. In February, 1909, war seemed indeed inevitable, but was averted — for the moment — by the melodramatic appearance of a knight in shining armour at Potsdam who bluntly told Russia that if she joined Serbia in an attack on Austria she would have to fight Germany.

PEACEMAKER

Edward the Peacemaker, watching events with profound anxiety from Balmoral, saw the result of his handiwork crumbling, and predicted with prescient accuracy the exact course of events which led to Armageddon.[1] In the events of 1908 the World War of 1914 was indeed implicit, and King Edward shrewdly recognised it. Germany could browbeat and humiliate Russia in 1908; but the Russian Government dare not accept a second diplomatic defeat in July, 1914; nor would Serbia.

THE AGADIR INCIDENT

Towards the cataclysm things moved rapidly during the next five years. In 1911 another crisis in Moroccan affairs reproduced the situation of 1905–1906 with redoubled intensity. Germany thought she saw her chance in the domestic difficulties which seemed likely to paralyse the two Western Powers. In France every six months saw a new Ministry, while industry was dislocated by a series of syndicalist strikes; in England the struggle between Lords and Commons reached its zenith in the summer of 1911, and simultaneously a profound upheaval among the wage-earners culminated in August in a great railway strike. On July 1 the French Government was officially informed that a German gunboat, the "Panther," had been despatched to Agadir, an open roadstead on the west coast of Morocco, in order to protect the lives and interests of German subjects in that turbulent country.

In the *coup* of Agadir Germany's object was plainly twofold; again, as in 1905, to humiliate France and to drive a wedge into the Triple *Entente*. In both objects she failed. To a German demand for the partition of Morocco France hotly retorted that she meant to defend her position as the paramount Power in that country. England ranged herself solidly behind France. Mr. Lloyd George was selected by his colleagues to announce to Germany in unmistakable terms (at the Mansion House, July 21) that peace-loving as England was, she refused to be treated "as of no account in the Cabinet of Nations." Mr. Balfour at the same time uttered an impressive warning that if the enemies of England counted upon domestic difficulties and party quarrels to paralyse her right arm they "utterly mistake the temper of the British people and the patriotism of the Opposition."

The effect of these speeches was to divert German hostility from France

[1] See Lord Redesdale's *Memories*, 1. 178, and *The Recollections* of John, Viscount Morley, 11. 277.

to England. Germany recognised England as "her real enemy. . . . The conflict between us . . . is now more than ever inevitable." For the moment, however, the centre of interest shifted to the Near East. On September 27 Italy suddenly presented to Turkey an ultimatum demanding the consent of the Porte to an Italian occupation of Tripoli, and two days later declared war. On the day (October 18, 1912) when the Treaty of Peace was signed at Lausanne between Italy and Turkey, Greece declared war upon Turkey.

THE BALKAN WARS

Greece was not alone. A miracle had happened. The Balkan States had so far laid aside their mutual jealousy and hatred as to combine against the common enemy. A second miracle then took place. "Within the brief space of one month," as Gueshov, Premier of Bulgaria, wrote, "the Balkan alliance demolished the Ottoman Empire, four tiny countries with a population of some 10,000,000 souls defeating a great Power whose inhabitants numbered 25,000,000." After this brief and brilliant campaign the belligerents accepted an armistice proposed to them by the Powers (December 3), and ten days later their delegates met in London to discuss terms of peace. The ambassadors also met in conference in London, under the presidency of Sir Edward Grey, to watch the development of events. Grey's supreme anxiety was to avoid an extension of the quarrel, and in particular to prevent Russia and Austria flying at each other's throats; and while Grey did his best to persuade Russia and, through Russia, Serbia and Montenegro to moderation, Germany exercised a mediating influence upon Austria. Peace between the Balkan League and the Turks seemed to be in sight when on January 24 the Young Turks, under Enver Bey, effected a *coup d'état* in Constantinople, and the London negotiations came consequently to an abrupt end (February 1, 1913). Fighting was at once resumed and went on until April 21 when the League accepted the mediation of the Powers. Negotiations were accordingly reopened in London on May 20, and on the 30th the Peace Treaty was signed.

The Powers, and England in particular, could congratulate themselves upon a remarkable achievement: an age-long problem had been solved; save for a remnant of territory in Eastern Thrace the Turks had been turned, bag and baggage, out of Europe, not by a Great Power or any combination of Powers, but by the original owners of the soil of the Balkans.

Congratulations were, however, premature. Hardly was the ink on the Treaty of London dry when the victors started to quarrel over the spoils. Bulgaria, already dissatisfied at her share, was encouraged by Germany to make a sudden and treacherous attack upon her late allies. Rumania, however, came in to the assistance of Serbia and Greece, and after a month's fighting (June 29–July 20), Bulgaria was beaten to the earth and peace was signed at Bucharest. Bulgaria was severely but justly punished: not only by her late allies but by the Turks who recovered Adrianople.

LORD HALDANE'S SPECIAL MISSION TO BERLIN

The Balkan wars formed the immediate prelude to the larger struggle. Great Britain had been making, especially after the passing of the dangerous crisis of 1911, persistent efforts for peace. Lord Haldane was despatched on a special mission to Berlin (February, 1912) to try and establish better relations and in particular to limit the naval rivalry. Unfortunately the

mission was vain. The true inwardness of the situation was revealed by the cool request of Germany that, in the event of war with France, England would maintain a benevolent neutrality. This request was, of course, promptly refused by Great Britain, and almost simultaneously General Bernhardi, the most influential writer on military problems in Germany, published his famous book *Germany and the Next War*. The whole argument of the book was based upon the thesis: *Delenda est Britannia*. Germany, he insisted, must claim not only "a place in the sun, but a full share in the mastery of the world." To achieve this the command of the sea must be wrested from England. Yet notwithstanding such ominous utterances as these; notwithstanding the attempt of Germany to secure English neutrality in a war clearly envisaged against France, the English Government still laboured and seemingly hoped for peace. But every day with less chance of success.

The correspondence between Sir Edward Grey and M. Paul Cambon, the French Ambassador in London, indicates the acute apprehensions of both Governments. That England could have permitted a disposition of French naval forces which left the Channel ports undefended and then have abandoned France to face alone an attack by the German navy is, of course, unthinkable. But there was no formal agreement; no actual alliance. Common prudence dictated conversations between the military and naval advisers of the two Governments, and we have Mr. Asquith's word for it that Sir H. Campbell-Bannerman, perhaps the most peace-loving of all British Prime Ministers, encouraged such conversations from 1906. (*The Origins of the War*, p. 59.)

The *Entente* was further cemented by the state visit of King George and Queen Mary to Paris in April, 1914, the significance of the visit being emphasised by the fact that for the first time since he had taken office Sir Edward Grey left England in attendance upon the King. Grey was so much impressed by French opinion that on his return he plunged into negotiations with Russia for a Naval Convention. Before the Convention was concluded England was at war as the ally of Russia and France.

That England struggled up to the 59th minute of the last hour to maintain European peace can be denied by no one who will be at pains to examine the facts. Yet it is equally certain that Germany was obsessed by the idea that it was the purpose — successfully attained — of English diplomacy to "encircle" her. So far back as 1904 the Kaiser approached King Edward, while he was his guest at Kiel, with a proposal for an Anglo-German alliance. King Edward refused to admit the necessity for such a step "since there was no real cause for enmity or strife between the two countries." The Kaiser in his apocryphal memoirs interprets King Edward's refusal "as a plain sign of the English policy of encirclement," while the Chancellor, Bethmann-Hollweg, speaking in the Reichstag in August, 1915, declared that it was King Edward's conviction that his principal task was to isolate Germany, and that "the encirclement by the *Entente* with openly hostile tendencies was drawn closer year by year." Yet four years earlier (1909) his predecessor Bülow had welcomed the Austrian triumph of 1908 as marking "the final failure of the encircling policy of Edward VII."

The simple truth is that the menacing attitude of Germany, on the one side towards Russia, on the other towards England and France, compelled the threatened nations into unwonted friendliness. The imagined "encirclement" was, in fact, in Mr. Asquith's words, "self-isolation." Had her conduct been neighbourly and her intentions pacific, there would have been no war in 1914.

The War and the Peace

The World War and the Peace Treaties are treated in detail in other chapters of this book. The present chapter will deal, therefore, only in summary fashion with the part played by the British Empire in these great events.

Years ago Bismarck had predicted that the great conflagration would be started by a match dropped in the Balkans. It was. The occasion of the World War was found in the assassination of the Archduke Franz Ferdinand, heir to the Habsburg Empire, at Serajevo on June 28, 1914. Its cause lay in the determination to dominate the East which had for years past formed the keystone of Hohenzollern and Habsburg policy. Athwart the path of their ambition lay Belgrade. The Hohenzollern could not reach Constantinople, the Habsburgs could not push their way to Salonika, so long as the Serbs held the gate. Behind the Serbs was Russia. An attack upon Russia would involve France. England could not look on unconcerned while France was crushed by Germany. To displace the "guardians of the gate" at Belgrade the whole world was to be involved in war.

On July 5 the Emperor William promised his full support to Austria, in any punitive measures which she might take against Serbia. The Austro-Hungarian ultimatum to Serbia was delivered on July 23. Serbia did her utmost, by all but complete submission, to avert war; but the Central Powers were convinced that the hour had struck; on July 28 Austria declared war upon Serbia and two days later Belgrade was occupied.

Even then Sir Edward Grey did not abate his efforts to circumscribe the conflict and maintain the general peace. As to England's duty his own mind was made up, but while refusing to encourage the war party in Berlin and Vienna by a promise of neutrality, he would not promise support to Russia or France. Had he come out boldly in support of France, would it have averted war at the eleventh hour? Would the Cabinet have supported him? And Parliament? And the country? These are grave questions, but no positive answer can be given. In the light of subsequent events it is, however, clear that in such action lay the last remaining hope of peace.

On July 28 Berlin attempted to restrain Vienna; but Russia had already partially mobilised her army, and on the 29th the order for general mobilisation was signed by the Tsar. Still England could not give France the assurance for which she pressed. On July 31 Sir Edward Grey asked both Germany and France whether they would respect the neutrality of Belgium. France promptly promised; Germany replied evasively, and on August 2 Germany announced her intention to march through Belgium; on the 3rd she declared war on France, and on the 4th on Belgium.

The Invasion of Belgium

The violation of Belgian neutrality was the final provocation to Great Britain, and the immediate occasion of the British declaration of war on Germany (August 4).

Apart from the specific guarantee contained in the Treaty of London (1839), the integrity and independence of the Low Countries have, for at least five hundred years, been objects of profound concern to England. In the sixteenth century she defended them against the Habsburgs; in the seventeenth against the Bourbons; a century later against Napoleon Bonaparte. The attack on Belgium by the Hohenzollern in 1914 brought England and the British Empire into the World War.

For more than four years (August, 1914–November, 1918) masses of British troops were poured into France to ward off the German blows at Paris, and through Paris at the Channel ports. The fight was waged on French soil, but not solely in defence of France. France formed for the time being the menaced frontier of England, though the western front was by no means the only front.

SEA-POWER IN THE WORLD WAR

The influence of sea-power upon world-strategy was never more brilliantly illustrated than in the World War. Before the end of 1917 Germany had ceased to own one foot of territory beyond the confines of Europe. By Articles 118 and 119 of the Treaty of Versailles Germany renounced in favour of the Principal Allied and Associated Powers all her rights over her overseas possessions. Full details of their disposition is given in other chapters of this book.

Despite all the efforts demanded of her in Africa and Asia, Great Britain, having at last adopted compulsory service in May, 1916, was able to maintain an immense army on the western front; to contribute a contingent to the Allied force at Salonika (October, 1915); and to send much-needed succour to Italy after her defeat at Caporetto (October, 1917). But it was on the western front that her greatest and most sustained effort was made; with what gallantry, despite all set-backs, the names of the Marne and the Somme, Ypres and Arras, of Vimy Ridge and Messines, of St. Quentin, Bapaume and Peronne, will to all time eloquently tell.

Yet can anyone doubt that Mr. Asquith was truly inspired when he wrote: "It was the control of the sea by the British navy which fed and equipped the Allies, by successive stages drained the life-blood of the enemy, and won the war." The history of the British navy during the World War will be told, however, by other pens: the vigilant watch, never relaxed but for the most part silent, in the bleak wastes and harsh climate of the North Sea, in the English Channel, the Mediterranean and the Eastern Atlantic Ocean; the brilliant victory of Admiral Sir Doveton Sturdee off the Falkland Islands, that far-off colony of Great Britain in the South Atlantic Ocean; the superb achievement of the "Dover Patrol": Admiral Sir Roger Keyes's raid on Zeebrugge in Belgium (April 23, 1918) undertaken with the intention of blocking the harbour which was being used by the Germans as a submarine base — an exploit described by a French Admiral as "the finest feat of arms in all naval history of all times and all countries"; the humble but heroic labours of the mine-sweepers, and the superb courage of the merchant seamen — these things will not lack their chronicler. To have countered the terrible submarine menace; to have kept virtually inviolate the coasts of Great Britain; to have transported across salt water 10,000,000 men or more from England and from such distant points as Canada, Australasia, India, South Africa, the West Indies and the United States of America; to have carried many of them to and from the half-dozen theatres of war; to have safeguarded the commercial routes and to have kept Great Britain and her Allies supplied with food, munitions of war and raw material — such was the superb achievement of the British navy and mercantile marine. Fitting it was that to the British navy the German navy, the German submarines and her High Sea Fleet should at the end of the war be surrendered. "The German flag will be hauled down at sunset to-day, and will not be hoisted again without permission" — such was Admiral Beatty's signal to the fleet on November 21, 1918. The permission has not yet been given.

THE PRICE OF VICTORY

But the price was terrific. In all, Great Britain contributed to the Allied cause over 6,000,000 men; the rest of the British Empire over 3,000,000, making a total of 9,496,370. Of these 3,266,723 were killed, wounded and missing, and those who actually gave their lives was little short of a million. The losses suffered by the British mercantile marine were relatively the highest in the war; 14,661 men of the merchant service were drowned or killed, and 30,000 men were severely wounded, while no less than 9,000,000 tons of shipping were destroyed. The naval casualties amounted to 27,175, of whom no fewer than 22,258 were drowned or killed. The heroism of the men of the mercantile marine was not inferior even to that of the fighting force; before the close of the war many men had been torpedoed six or seven times, and yet there is no single instance on record of a man having refused to ship.

The sacrifice of wealth was on a scale parallel with that of men. Between August 3, 1914, and March 31, 1919, the Exchequer issues totalled £9,590,000,000, of which something less than £7,000,000,000 was derived from loans and over £2,700,000,000 was raised by taxation — a gigantic but perhaps insufficient proportion. About £1,500,000,000 was lent to the Allies, and £153,000,000 had been spent (down to March 31, 1923) on Mandated territories. The value of shipping and cargoes lost by enemy action was estimated at £750,000,000. To these sums there ought to be added a vast expenditure, directly resulting from British participation in the war which can hardly be put at less than £1,000,000,000. The submarine war, the blockade, the peace negotiations and the League of Nations will receive separate treatment. Meanwhile there is a temptation to ask whether the tremendous British effort as outlined in these pages was "worth while"? To attempt an answer while the world is under the influence of post-war disillusionment and reaction would be in the highest degree misleading. A final answer must be postponed; the contemporary historian can only say that it was inevitable.

England During the War and After

FINANCE, COMMERCE AND INDUSTRY IN POLITICAL AND SOCIAL LIFE

How was England herself — in commerce, industry and finance — affected by the outbreak and prolongation of the war and by the coming of peace?

Economic conditions — since they are primary and fundamental — may claim attention first. London was, and is, the financial capital of the world, the nerve centre of credit. It was, therefore, naturally anticipated that the outbreak of war would administer a terrible shock to a structure so delicately poised. Nor were anticipations wholly at fault. The first presage of the coming storm was given on Thursday, July 30, by the raising of the Bank rate from three to four per cent. On the following day there was something like a panic on the Stock Exchange, and to avert further disaster the Exchange was closed, and New York quickly followed London's example. Suddenly every security in England was frozen, and a great part of the huge fabric of credit was imperilled. The Exchange remained closed until January 4, 1915, and when it reopened it was under severe restrictions. The Bank rate was raised on Friday to eight per cent; on Saturday to 10. In less than a week, however, confidence was reëstablished; on August 8 the Bank rate was reduced



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Upper left: Queen Victoria; upper right: King Edward VII; centre: Queen Mary, consort of King George V; bottom left: King George V; bottom right: Edward Albert, Prince of Wales.

THE ROYAL FAMILY OF GREAT BRITAIN

to five per cent. This happy result was due partly to the lucky accident that the critical moment coincided with the August Bank Holiday (August 3), partly to the promptitude, courage and wisdom with which the crisis was met by the Government and their advisers in the City. The Bank Holiday was extended for three extra days; the Bank Charter Act was suspended; a general moratorium (terminated on December 4) was declared; and Currency or Treasury Notes for £1 and 10/–, having legal tender value, were issued in order to conserve the stock of gold. Had these notes been ready at the outbreak of war, no suspension of the Bank Act would have been necessary. As it was, the suspension practically operated only for three days (August 7–10), and the amount of notes issued by the Bank, in excess of their ordinary powers, hardly exceeded £3,000,000. Treasury Notes, on the other hand, were ultimately issued to an amount exceeding £350,000,000. The Government took over the control of all the principal railways, and continued in control until August 15, 1921. On August 4 they obtained a Vote of Credit for £100,000,000.

ENGLAND'S UNINJURED CREDIT

So good was England's credit that no serious difficulty was experienced in raising the funds necessary for the conduct of the war, and England acted as the Banker of the Allies. But the cost was tremendous. On March 31, 1914, the National Debt stood at £661,473,765 and the annual charge for interest and management was £24½ million. By 1921 the Debt had mounted to £7,831,744,300, imposing an annual charge of £349½ million. The rate of interest at which War Loans were issued varied from 3¾ to 6 per cent.

BUSINESS AND EMPLOYMENT

War involved, also, a grave dislocation of the industrial system. But in this sphere, anticipations were curiously belied. The first apprehension was lest war should cause great distress to the wage-earning classes. A committee was therefore set up (August 4) to deal with the prevention and relief of distress. Local authorities were urged to initiate or accelerate schemes and so provide work; and a National Relief Fund, to which the Prince of Wales lent his name, was opened. Within a week £1,000,000 was subscribed, and it subsequently mounted to about £7,000,000.

Organised labour was not less apprehensive of unemployment than was the Government. An industrial truce was promptly proclaimed, and during the autumn of 1914 there was an almost complete cessation of trade disputes. For about three months serious dislocation did indeed ensue. In the cotton trade, unemployment which at the end of July was 3.9 per cent rose by the end of August to 17.7, and did not get back to the July level until January, 1915; and other trades suffered similarly, though (except tobacco) less severely. After twelve months of war, however, the percentage of persons who were unemployed fell to less than one — the lowest point ever recorded in the country.

This phenomenon ought to have been foreseen. An enormous demand for commodities, an unlimited amount of capital raised on Government credit, an ever-increasing drain of men and women for military and auxiliary services — the problem was not how to find employment, but where to find the men and women for the work which urgently needed to be done.

WAR TAXATION

The response from all classes was, on the whole, very good. But as regards field service, it was inadequate. The Government shrank from compulsion; in 1916, however, it became inevitable, and on January 5, 1916, Mr. Asquith introduced a Bill for compulsory military service in Great Britain. The sequel proved that a grave error was committed in not applying the principle of compulsory national service more promptly to the whole adult population, and one of the first acts of the new Government, which in December, 1916, was formed under the Premiership of Mr. Lloyd George, was to mobilise all the labour reserves of the country and to appoint a Director-General of National Service. Had this been done in 1915, or even in January, 1916, and had there been one uniform rate of pay for civilian and military service, together with a scheme for the conscription of all "excess" profits; if in fact the same principle had been applied to every form of labour and service, to the provision of capital and the production of commodities, much heart-burning would have been avoided, and less injustice have been wrought.

As it was, wages for every form of home service — real wages as measured in the enhanced price of commodities — rose rapidly; the rate of interest on capital rose; and in some industries phenomenal profits were made. An Excess Profits Tax was indeed imposed in 1915, but only at the rate of 50 per cent over pre-war standards. The rate was increased to 60 in 1916, and to 80 in 1917. In 1920 it was reduced to 40 per cent; increased again to 60 in 1921, by which time the yield (including the original munitions levy) exceeded £1,121,000,000. By the autumn of 1920 the inevitable reaction in trade had set in, and, in 1922, the tax was repealed. Strong pressure was, after the war, put upon the Government to impose a capital levy upon accumulated war wealth, and after an exhaustive enquiry as to the possibility and expediency of such a levy, experts estimated that the aggregate wealth of the people had increased by some £4,180,000,000, but found it impossible to discriminate between the increment arising from excessive war profits and that which was due to patriotic thrift and saving. The Government, therefore, declined to proceed with the project.

INDUSTRIAL PEACE NOT SECURED

The Industrial Truce proclaimed in the autumn of 1914 was not, unfortunately, maintained. With the dissipation of all fear as to unemployment, strife recommenced. Before the war was three months old, there were ominous indications that existing industrial methods would not suffice for an adequate supply of munitions. The employers complained that even the grave national emergency had not banished *ca' canny*, slack time-keeping, even *sabotage* from the workshops. The men were fearful lest they should be rushed into a surrender of the privileges, won, in days of security, only after a long struggle. The Government was compelled to intervene. "Output," said Mr. Lloyd George (February 26, 1915), "is everything," and, while intimating the intention of the Government to place limitations on profits, he appealed to the Trades Unions to relax their customary restrictions on production. In the same month the Government took powers under a second edition of the *Defence of the Realm Act* to commandeer factories and plant. Still the supply of munitions was inadequate. In June Mr. Lloyd George exchanged the Exchequer for the new Ministry of Munitions, and in July the Munitions of War Act was passed. This gave drastic powers to the Minister

to control factories and workshops; it limited profits and authorised severe penalties against strikes and lockouts. The Minister and the Act together solved the problem of supply, but at tremendous cost. In a few months the price of munitions trebled.

Yet, despite high wages, industrial peace was not secured. No fewer than 18,000,000 days' work were lost through trade disputes, during the war; and during the last nine months of hostilities, when coal production was vital to success, 255,000 miners were involved in 31 strikes.

GREAT UNEMPLOYMENT

Since the Armistice things have been even worse. The number of wage-earners out of work owing to trade disputes, has reached an average, for the years since the war, of 1,615,000 per annum, while the number of days of work lost, through this cause, has reached the appalling total of 167,291,000. In one month alone of the great coal strike of 1921, the loss of time amounted to 65,000,000 days.

This unrest among the manual workers is, unquestionably, one of the gravest symptoms of the body politic. Nor is it attributable to any single cause. The discontent is partly political, partly intellectual and psychological, most of all economic. Enfranchised by the Acts of 1867, 1884 and 1918, the manual workers are dissatisfied with the results. Perhaps they hoped too much from the democratisation of Government. The Chartists pinned their faith wholly to political reform. Carlyle and Charles Kingsley chided them for their belief in the fetish of the franchise; but they clung to it, and they are now suffering the inevitable disillusionment.

> How small, of all that human hearts endure,
> That part which laws or kings can cause or cure.

The manual workers are sadly discovering the truth of this aphorism.

LITTLE KNOWLEDGE A DANGEROUS THING

The spread of popular education has also contributed, if not to discontent, at least to the realisation and to the expression of it. The manual workers have learnt enough to know that knowledge is power; and they desire more knowledge to get more power; but not for that reason only. They desire it, in Lord Goschen's words, "not merely as a means of livelihood, but as a means of life." Unfortunately the only real remedy was not applied quickly enough. A wise thinker predicted, thirty years ago, that elementary education, unless crowned by higher education, would prove not merely useless but dangerous. "It is not," he said, "safe to teach the democracy to read, unless you also teach it to think." The higher education of the citizen is, beyond question, one of the most urgent problems of these after-war days. Such education ought in logic to have preceded the political emancipation of the manual workers. But, sixty years ago Robert Lowe was one of the few who apprehended the truth that "We must educate our masters." The little knowledge imbibed in the primary school has proved dangerous. The only sound prescription is a further application of homoeopathic doses. Only thus can we achieve Aristotle's ambition — the equalisation not of possessions but of desires

POVERTY AND WEALTH

Meanwhile, the passion for greater equality in the distribution of the product of industry has taken strong hold of the mind of the manual worker, and must be accounted the primary cause of the prevailing discontent. The passion has been fanned partly by the contemplation of the vast fortunes arising from successful business enterprise, and by the vulgar ostentation with which "new wealth" is sometimes displayed. As a fact there is grave misconception as to the aggregate wealth of the community. Professor Bowley, one of the most eminent of living statisticians, wrote in 1919: "The wealth of the country, however divided, was insufficient before the war, for a general high standard; there is nothing as yet to show it will be greater in the future." Only 72,307 persons were in 1920–1921 in receipt of incomes of over £2,000 a year, while only about five per cent of the population have more than £250 a year. Were the fortunate five per cent deprived of all their incomes in excess of that modest standard, the increment to the remaining 95 per cent would be quite inconsiderable.

Nevertheless, the idea that there are gross and even grotesque inequalities in the distribution of the product of industry, is widely prevalent and is undoubtedly responsible alike for much unrest among the less fortunate, and for much of the sympathy manifested with it by the more fortunate.

Discontent among the wage-earners might perhaps be abated if not dissipated were the facts more clearly apprehended. The burdens borne, mostly in silence, by the "well to do" since 1914 have been, and are, extraordinarily heavy. Out of a total taxation per head of £17 12. the amount of direct taxation is still (1923) £11 7. 3. Income tax which was at 1s. 2d. in 1914 was raised to 3/– in 1915, to 5/– in 1916 and to 6/– in 1918, though in 1922 it was reduced to 5/– again, and to 4/6 in 1923. But this takes no account of the super-tax which in the case of the largest incomes exceeds (with income tax) 10/– in the £. Indeed, if account be taken of Death Duties (which on the largest estates now amount to 40 per cent for Estates Duties only), it would probably be no exaggeration to say that at least 75 per cent of the incomes of the very rich is intercepted at various points by the State.

INCREASE IN WAGES AND PRICES

During the war trade enjoyed that semblance of prosperity which the spendthrift can always — for a limited period — diffuse. *Some* trades were genuinely prosperous, and wages rose by leaps and bounds. In the building trade craftsmen whose wages in 1914 ranged from 7d. to 11½d. an hour, went up until in 1920 they were 2/1d to 2/4½d. In the coal industry average wages rose from £82 19. 2 in 1914 to £219 13. in 1920. On the North Eastern railway the average earnings of men of all grades rose from £73 (in 1912) to £257 in 1920. The cost of living rose with great but not equal rapidity, reaching its zenith (like wages) in November, 1920, when it was 173 above the pre-war point.

That the cessation of war activities must necessarily induce a severe reaction was foreseen and foretold by responsible economists. But no one heeded the warning: neither statesmen nor business men, nor the general public. The experience of the lean and distressful years after Waterloo was neglected. "Circumstances had changed." Men may pay lip-homage to the aphorisms of the Economists, but few people are really persuaded that lavish

expenditure can be otherwise than a benefit to trade: that waste really induces want. That the combatants could spend £50,000,000,000 on a great war without imparting to trade a "lasting" stimulus seemed to most people incredible. Considerable portions of continental Europe would need to be reconstructed: the demand for labour and commodities would be enormous. "Demand" has not been lacking, but it has not been effective. Mere desire will not keep factories in work.

The Economic momentum of the war lasted for about two years after the Armistice. Then ominous signs began to manifest themselves. Exports began to shrink; the ranks of the unemployed were rapidly swollen; the demand for industrial capital slackened and labour became a drug in the market; agricultural prices fell quickly, and tenants who had bought their farms during the boom of the war years were hard hit; wages began to droop, and wage-earners who had been deluded by visions of the new world which Peace was to inaugurate, became querulous and presently quarrelsome.

THE FOLLY OF INDUSTRIAL STRIFE

At a moment when the maintenance of industrial harmony was vital both to the community and to all parties engaged in industry, preëminently to the wage-earners, there ensued a series of disastrous disputes culminating, in the early summer of 1921, in a complete stoppage in the coal industry (April 1–June 27). The percentage of unemployment which in 1913 was about 2.0 was approximately 6.0 at the beginning of 1921; at the end of June it was 23. No commentary upon the disastrous folly of industrial strife could be more illuminating than these figures. That the responsibility for strife rested wholly on one side cannot be supposed. Employers have, in some cases, been slow to discern the signs of the times, and not too sympathetic towards the new psychology of the modern wage-earner. That manual workers who are politically the equal of the employers and who in many cases are hardly less well educated — though in a different school — should permanently accept the "status" in industry which was good enough for their grandfathers, is not to be expected. Moreover, they are mistrustful, often with good reason, of the efficiency of management. They see things going wrong which they could put right — were they consulted. Inefficient management is not less responsible than *ca' canny*, for a low rate of production, for low wages and irregular employment. The men know it; the masters are naturally slow to acknowledge it.

On the other hand, the men are obsessed with the fallacy of the "lump of labour." Believing that there is only a limited amount to be done they impose all manner of restrictions on production. If they go slow there will be more jobs for their fellows to-day, and more for themselves to-morrow.

For all this the remedy would seem to be a quicker apprehension of economic truth (a deficiency not confined to the wage earners), and a large scheme of comprehensive insurance which shall give to those who live by weekly wages a real sense of security, and some guarantee against the material effects of the ordinary contingencies of industrial life. Adequate pay during sickness, or unemployment; pensions for young widows and dependent children; an adequate provision for the declining years of life — a comprehensive scheme on these lines would go far to eliminate the primary motive which inspires obstinate adherence to restrictions which impede production.

The matter must not be pursued in detail; but this would seem to offer an essential, though not an exclusive, remedy for the economic consequences of the war and for the disquieting phenomenon of war's aftermath.

Parliament Parties and Politics 1914–1923

Inter arma silent leges. From 1914–1918 public attention was naturally and rightly concentrated upon one supreme object — the winning of the war. But modern wars are not won only on the field of battle. The World War represented a conflict not merely of bayonets but of brains; it was largely a war of chemists, and it was won largely in the factories and laboratories, in the mines and workshops of Great Britain.

For the vast war-production which supplied the armies in France and Flanders; in Mesopotamia and Macdeonia; on the peninsulas of Gallipoli and Palestine, civilians were primarily responsible, and they worked in obedience to orders from Whitehall.

Moreover, it seemed likely that the war would leave a permanent mark upon the development of political institutions, both in the homeland itself and in the British Commonwealth as a whole. Some attention, therefore, must be given to politics and politicians during war time.

PARTIES AND POLITICS

The outbreak of war found the Liberal party in power under the leadership of Mr. Asquith who had been continuously in office since 1905 and at the head of the Government since April, 1908. His principal lieutenants were Mr. Lloyd George at the Exchequer, Sir Edward Grey at the Foreign Office and Mr. Churchill at the Admiralty. When the question of peace and war was in the balance, and when the Liberal Cabinet was understood to be seriously divided on the question, Lord Lansdowne and Mr. Bonar Law conveyed to Mr. Asquith (August 2) the opinion of the Conservative leaders that "it would be fatal to the honour and security of the United Kingdom to hesitate in supporting France and Russia" at that juncture, and to offer their "unhesitating support to the Government in any measures they may consider necessary for that object." That this patriotic assurance stiffened the attitude of Mr. Asquith, Sir Edward Grey and those Ministers who shared their views cannot be doubted. Nor did Mr. Bonar Law and his colleagues ever deviate by a hair's breadth from the pledge implied in that letter. Lord Morley and Mr. John Burns were the only Cabinet Ministers who actually resigned, and Mr. Asquith carried on with an exclusively Liberal Cabinet until May, 1915.

By that time, however, the position of the Ministry was seriously shaken; partly by their failure to bring the war to the speedy and successful termination which many people had been foolish enough to anticipate; partly by the revelations as to the lack of munitions; partly by the failure of the attack on the Gallipoli peninsula; and most of all, perhaps, by the resignation of Lord Fisher, First Sea Lord of the Admiralty, in consequence of serious differences of opinion with Mr. Churchill, its civilian head. Once again Mr. Bonar Law and his Conservative colleagues came patriotically to the help of the Government, and at the end of May, 1915, a Coalition Government was formed. Mr. Asquith and Sir Edward Grey retained their posts, but Mr. Balfour succeeded Mr. Churchill at the Admiralty, Mr. Bonar Law went to the Colonial Office and Lord Lansdowne, Lord Curzon, Mr. Austen Chamberlain, Sir Edward Carson, Mr. Long and Lord Selborne, formed the Conservative wing of the Cabinet. Mr. Arthur Henderson, as representative of the Labour party, entered the Cabinet as Minister of Education; Mr. Lloyd George renounced the Exchequer in favour of Mr. McKenna, in order to take up the new and difficult post of Minister of Munitions.

REBELLION IN IRELAND

Within twelve months the energy of Lloyd George had done much to secure a regular and adequate supply of munitions for the armies abroad; but in June, 1916, on the tragic death of Lord Kitchener, he was summoned to the War Office. By that time, however, the first Coalition was palpably tottering. Mr. Asquith's position had been shaken by the rebellion which at Easter, 1916, had broken out in Ireland. In the early days of the war a hope was entertained that the sympathy of Roman Catholic Ireland for Belgium might lead southern Ireland to fling itself into the war not less ardently than had Ulster. The hope faded during 1915; the disloyal section gained the ascendant in southern Ireland, entered into treasonable correspondence with Germany, and in April, 1916, broke out into open rebellion. The rebellion came as a shock to those Englishmen who had imagined that the enactment of a Home Rule Bill would at once heal the secular discord between the two countries. The rebellion was promptly crushed; it did nothing to weaken the war-arm of Great Britain; but it damaged the prestige of the Government and added to their anxieties. Moreover, the military situation on the Continent seemed to be approaching stalemate. The valour of the French had saved Verdun, but the long-drawn-out battle of the Somme (July–November) seemed, despite the terrible sacrifices it entailed, to have accomplished nothing. The conviction began to gain ground, not least rapidly in the inner Councils of the nation, that the genius of Mr. Asquith was not well adapted to the successful conduct of a World War.

MR. LLOYD GEORGE PRIME MINISTER

At the beginning of December (1916) matters reached a crisis. Mr. Asquith learnt that some of his most important colleagues had reluctantly decided that though he might retain the titular Premiership, the supreme conduct of the war must be committed to other hands.

On December 5 Mr. Lloyd George resigned, and Mr. Asquith followed his example. Mr. Bonar Law was entrusted by the King with the formation of a new Ministry, but the state of parties in the House of Commons negatived an appeal to the country, under the circumstances unthinkable by a purely Conservative Government, without a general election; the Liberal chiefs would not coalesce, without Mr. Asquith; and on December 7 the King sent for Mr. Lloyd George who kissed hands as First Lord of the Treasury and Prime Minister.

CONSTITUTIONAL INNOVATIONS OF GREAT SIGNIFICANCE

His chief colleagues were Conservatives, though a dozen Liberals and three Labour members found places in the Ministry. But the new Premier was responsible for a constitutional innovation of great significance. He insisted that war could not be successfully waged by a Sanhedrim — in other words by a Cabinet of the time-honoured design. Consequently he formed a War Cabinet or Directory; he enlarged the Ministry; and he called into being an Imperial War Cabinet.

The "Directory" was to consist of five members, of whom one only was to be the head of an administrative department — Mr. Bonar Law who was

to be Chancellor of the Exchequer and leader of the House of Commons. The other members were Lord Curzon (Lord President of the Council and leader of the House of Lords), Mr. Lloyd George himself, Lord Milner and Mr. Arthur Henderson (Labour), the two latter being "without portfolios." General Smuts, the distinguished South African statesman and soldier, was added to the Directory in June, 1917, and Lord Carson in July, 1917, but the latter resigned in January, 1918, while Mr. G. N. Barnes had succeeded Mr. Henderson as representative of the Labour party in August, 1917. The idea of the War Cabinet was that half a dozen of the leading statesmen, relieved of all departmental responsibilities, should be free to give their whole time to the prosecution of the war. The new arrangement was undoubtedly an improvement upon the "Sanhedrim," and the country saw with satisfaction that the war — at this its most critical stage — was conducted with greater vigour.

During its first year of existence the War Cabinet held more than 300 meetings. Every meeting was attended by the Foreign Secretary, by the First Sea Lord of the Admiralty, and the Chief of the Imperial General Staff, and in addition 248 persons, experts on Foreign, Colonial and Indian affairs, on Finance, Education, Shipping, Agriculture, Railways, etc., attended its meetings. Attached to the War Cabinet was a Secretariat of eleven members, who kept the minutes, prepared agenda, circulated reports and attended to correspondence. The institution of this Secretariat and the functions performed by it constituted conspicuous innovations. The Secretariat rapidly grew in numbers and importance, and had its growth not been abruptly checked by the vigilance of the House of Commons, it might easily have developed into a sort of super-department of State, interposed between the Prime Minister and the ordinary departments, and with a tendency to endow the Prime Minister with quasi-Presidential authority. During the war, the Prime Minister naturally and necessarily exercised an almost dictatorial authority. After the conclusion of peace the continuance of this authority was regarded with jealousy by old-fashioned constitutionalists, and the earlier practice of Cabinet Government was reëstablished.

Outside the War Cabinet was a body of Ministers (substantially increased in number by the creation of new offices) who in ordinary circumstances would have been members of the Cabinet. Their position was indeed somewhat ambiguous. They did attend Cabinet meetings, but only when the affairs of their several departments were under discussion, when they brought with them "any experts either from their own departments or outside," whose advice they considered might be useful, but they were relieved "from the constant necessity which rested upon them under the old Cabinet system of considering those wider aspects of public policy which often had nothing to do with their departments, but for which they were collectively responsible." (Report of the War Cabinet for 1917, p. 24.) Collective responsibility was indeed of the essence of the old system: the new system, like that which has always prevailed under the Presidential Constitution of the United States of America, was frankly departmental. A semblance of coördination was maintained through the medium of the War Cabinet, but the responsibility of the heads of departments was rather to the Premier-President than to the War Cabinet or to each other. In effect, however, the chief Ministers outside the Directory formed a quasi-Cabinet for Home Affairs.

For his departmental Ministers the Prime Minister, by a daring but well-justified innovation, went in some cases outside the ranks of members of either House of Parliament. Thus Sir Albert Stanley, a successful business man, became President of the Board of Trade, and Mr. H. A. L. Fisher, a distinguished scholar, President of the Board of Education. Seats in the House of Commons were promptly found for them, and later on, for Sir

Eric Geddes, a successful railway official, who, on the resignation of Sir Edward Carson (July, 1917), was appointed First Lord of the Admiralty, but not for Sir J. P. Maclay who became Shipping Controller. This was a new office, necessitated by the war, as was that of Food Controller filled first by Lord Devonport, and afterwards by Lord Rhondda. Two prominent Labour leaders, Mr. Hodge and Mr. G. N. Barnes, were appointed respectively to the newly created Ministries of Labour and Pensions. For the rest all the Secretaryships of State and indeed most of the important offices were committed to well-known Conservative politicians.

THE ORGANISATION OF THE EMPIRE

Of even greater significance was a third innovation by which Mr. Lloyd George signalised his accession to the Premiership. The Prime Ministers of the Dominions and representatives of India were, in December, 1916, invited by the Home Government to visit England "to attend a series of special and continuous meetings of the War Cabinet in order to consider urgent questions affecting the prosecution of the war, the possible conditions on which, in agreement with our Allies, we could assent to its termination, and the problems which will then immediately arise." The invitation was accepted; and the Imperial War Cabinet, consisting of the five members of the British War Directory; the Secretaries of State for Foreign Affairs, India and the Colonies; three representatives of Canada, two of New Zealand, one of South Africa and one of Newfoundland, met for the first time in March, 1917. Three representatives of India were also present to "advise" the Secretary of State. So completely successful was the experiment that Mr. Lloyd George informed the House of Commons (May 17) that it had been decided to hold an "annual Imperial Cabinet" and that it was the general hope that the institution would become an "accepted convention of the British Constitution." Sir Robert Borden, the Prime Minister of Canada, expressed his conviction that "with that new Cabinet a new era had dawned and a new page of history had been written."

The experiment was repeated in 1918 when, in addition to the other Dominions and India, Australia was able to be represented, and when the Peace Conference opened in Paris, the Empire Cabinet was virtually reproduced as the "British Empire Delegation." As such it played a most important part in the protracted deliberations of the Conference. Apart, however, from the Empire Delegation, the Dominions claimed and obtained separate representation, and in the *Plenary Conference* Australia, Canada and South Africa were each represented by two delegates, being treated as small nations on the same level as Belgium; New Zealand was represented by one. That the Dominions were fully entitled to separate representation, if they wanted it, goes without saying; but it is clear that the concession of the claim rendered their position at Paris and that of the British Empire somewhat ambiguous. Nor has it made the League of Nations (on which they are similarly represented) more palatable to the United States. Of the ultimate significance of the incident it is, however, too soon to judge.

Meanwhile, it is undeniable that the temperature of Imperial sentiment, which rose to fever heat in 1917 and 1918, has fallen since the Treaty of Versailles. The Imperial Cabinet instead of meeting annually has never met again. The representatives of the Dominions and India were summoned in 1921, and they attended, but not *eo nomine*. The term "Cabinet" was dropped, and the official report was given out as "A Summary of the Proceedings at a Conference of Prime Ministers and Representatives of the United

Kingdom, the Dominions and India." The "Conference" resolved that while it was desirable that the Prime Ministers of the Empire should meet annually, "or at such longer intervals as may prove possible," no advantage would be gained, "having regard to the constitutional developments since 1917," by holding a constitutional conference. In other words, the door was slammed in the face of a Federal Commonwealth. The British Empire might remain a *Staten-bund;* it was not to become a *Bundes-Stat.*

An Imperial Conference of the pre-war type met in London in the autumn of 1923 and side by side with it a special Imperial Economic Conference. The value of such conferences cannot be over-rated, but they do not indicate any progress in the constitutional evolution of the empire, such as seemed possible, if not certain, in the fervour of 1917.

For the sake of lucidity we have anticipated the sequence of events, and must now turn back to the history of domestic affairs.

DOMESTIC AFFAIRS 1918–1923

The Second Coalition remained in power until October, 1922, though, as will be seen, under conditions widely different from those described above. It was responsible for a considerable body of legislation, some portion of which was admittedly temporary in character; other parts such as various Agricultural Acts, and the Act of 1920 for the "better government of Ireland," were designed for permanence but proved abortive; the smallest part was of permanent significance.

Incomparably the two most important items of legislation were the Parliamentary Reform Act (1918) and the Education Act which became law in the same session.

THE NEW EDUCATION BILL

Mr. Fisher's Education Bill was introduced on August 10, 1917. It was based on the assumptions that "Education is one of the good things of life which should be more widely shared than has hitherto been the case"; that it should be "the Education of the whole man — spiritual, intellectual, physical"; and that "the principles upon which well-to-do parents proceed in the education of their families are valid also, *mutatis mutandis,* for the families of the poor." Administratively the Act was based upon the Act of 1902, and did not involve any radical alteration in machinery, but it abolished the "half-time" system and all exemptions for children between the ages of 5 and 14; it provided for the establishment of part-time day continuation schools, at which attendance for all boys and girls should be compulsory up to the age of 18 for 320 hours per annum, except in cases where the children had been under full-time instruction up to 16; it removed the limit imposed by the Act of 1902 on the amount to be raised for the higher forms of education; it imposed upon local authorities the duty of "providing for the progressive development and comprehensive organisation of education," and provided for the consolidation of education grants, by establishing the "block grant system."

The Act discriminated unwisely against "fee-paying schools," and tended, perhaps unintentionally, towards the elimination of that wholesome variety in educational methods which has been the strength of the educational system in this country; but on the whole, it was a bold and comprehensive measure which might, had its provisions been carried out, have gone far to meet the reproaches frequently made against the English system of education.

Owing, however, to the great increase in the expense of education, and to the imperative need for retrenchment, many of the more important provisions of the Act have remained a dead letter. In the thirty years between 1891 and 1921, expenditure on education increased from about £11½ million to £84,000,000, while in the same period the cost of pauperism (which education, it was hoped, would eliminate) rose from £9,500,000 to £33,000,000. Public opinion refused to tolerate further expenditure, and the most important reforms embodied in the Fisher Act have, therefore, been indefinitely postponed.

THE NEW PARLIAMENTARY REFORM ACT — VOTES FOR WOMEN

The Parliamentary Reform Act has, on the other hand, come into full operation. The genesis of the Bill was among legislative achievements of this kind unique. It proceeded, more or less, as "an agreed measure" from a conference of some thirty members of both Houses "eminently representative of the various shades of political opinion in Parliament and in the country," selected and presided over by the Speaker (Mr. J. W. Lowther) of the House of Commons. The result was a comprehensive measure, dealing with the franchise, the registration of electors, the method of election, the cost of elections, and the distribution of seats. As regard the franchise: in addition to various temporary provisions for soldiers and sailors who were serving or had served in the war, and for the disqualification of conscientious objectors, it was provided that all men of 21 years of age who were qualified by six months' residence or occupation of business premises, and all women of 30 years of age who were Local Government electors or wives of such electors, should have a parliamentary vote. The property qualification was abolished, but a man might vote in two constituencies: (1) on a residential qualification; and (2) either for his business premises or as a University voter. Registers of voters were to be prepared twice instead of once a year, and the State and the local rates were to share the expenses of registration equally between them. Returning officers' expenses were to be paid by the Treasury, and the maximum scale of election expenses was severely restricted.

As regards the distribution of seats, the principle of equal electoral districts, each returning one member, was to be as far as possible observed. In Great Britain there was to be one member for approximately every 70,000 of population; 44 old boroughs were extinguished, and 31 new boroughs created, including 13 in greater London and 8 in Lancashire. Representation was given to the new Universities, thus bringing up University representation from 9 to 15. The total membership of the House was increased from 670 to 707 (including 105 Irish seats). By the grant of Home Rule to southern Ireland and the curtailment of Ulster's representation in the Imperial Parliament, the total membership was in 1923 again reduced to 615.

The great change effected by the Act was, of course, the enfranchisement of women and the immense increase in the number of electors. By the Act of 1832 about 450,000 electors were added to the roll; by that of 1867 about 1 million; by that of 1894 about 2 millions. It was estimated that the Act of 1918 would increase the electorate from 8,357,000 to about 16,000,000. As a fact it increased it to about 21,000,000, including 9,000,000 women, whose enfranchisement was largely due to the fact that the work performed by women during the war had broken down most of the opposition to the woman suffrage movement. The women had coöperated loyally in the war and had supplied the place of men in numerous occupations at home and even in France. One after another the most pronounced opponents of the movement declared themselves converts; and the Commons accepted the proposal to enfranchise women by an immense majority.

COALITION UNDER LLOYD GEORGE SWEEPS THE COUNTRY

The first election under the new franchise took place in December, 1918. The Armistice had been concluded on November 11; the Peace Conference had not yet opened. Mr. Lloyd George and Mr. Bonar Law, the two chiefs of the parties which since 1915 had coalesced to form the Government, issued a joint appeal to the electors to continue the system under which the war had been brought to a triumphant issue. Mr. Asquith, at the head of a small band of "independent" Liberals and the Labour party, advocated, on the contrary, a return to the old order and fought the election on party lines. The Coalition swept the country; 359 Coalition Unionists, 133 Coalition Liberals and 10 National Democrats being returned in support of Mr. Lloyd George and Mr. Bonar Law. Neither Mr. Asquith nor any of his principal lieutenants were returned; the "independent" Liberals found themselves in the new House a small band of 28 members, wholly leaderless, while Labour increased its membership from 42 to 62, thus becoming the "official" Opposition.

EUROPEAN CHAOS

The chief task of the Coalition Government between 1918 and 1922 was to "clear up the mess" left by the war, abroad and at home. The task proved to be gigantic — perhaps beyond the limits of human capacity. The Treaty of Versailles so far from providing a settlement of Europe, brought to it neither settlement nor repose. A series of supplementary Congresses in which Mr. Lloyd George played the most conspicuous part served only to make the darkness visible. Of the debts — over £1,500,000,000 in amount — owed by the Continental Allies to Great Britain, not one farthing has been paid; nor have these debtor countries been too successful in balancing their own budgets. Austria has been saved by the League of Nations and the credit of the Powers, but Germany has sunk lower and lower into fraudulent bankruptcy, and Hungary is in a condition of hopelessness. Greece, vaunting herself unduly, has been stricken on the field of battle by a Turkey which has shown a wonderful power of recuperation, and has virtually dictated terms of peace to the Powers by whom in the World War she was defeated. Russia, a political and financial wreck, remains under the heel of an iron despotism masquerading as the latest manifestation of democratic liberty. Italy has been rescued from chaos by a great statesman, Mussolini, and a great patriotic and anti-Bolshevik organisation known as the Fascisti. Spain also has found salvation for the moment in a military dictatorship, which like that of Italy is deferential to the Crown, though contemptuous of parliamentary institutions. France though now (1924) indebted to England in the amount of over £600,000,000 and to the United States in the amount of $3,000,000,000 and burdened with a total debt of about 250,000 million of francs, has again shown her characteristic capacity for recuperation; so has Belgium, but both are speculating upon the recovery of reparations from Germany and have spared their respective peoples the terrible load of taxation which is crippling English trade. Exasperated by the evasions of Germany, France, in January, 1923, occupied the industrial area of the Ruhr; but this step, while intensifying the economic dislocation and political disintegration of Germany, has thus far brought to France no tangible advantages. Thus the European situation has gone steadily from bad to worse, and it seems likely that for at least a generation to come victors and vanquished will alike be paying a heavy penalty for the crime committed by the Hohenzollern and the Habsburgs in 1914.

IRELAND

Ireland fills a large space in the history of the years since 1918. The rebellion of 1916 was followed by the proclamation of martial law, but while Sir John Maxwell was administering that law with firmness and discretion from Dublin, the English Government were considering a plan by which, with general consent, the Home Rule Act might be brought into immediate operation. But Mr. Lloyd George, on succeeding to the Premiership, resolved to try a fresh device. He summoned a convention to Dublin, representative of all parties and interests in Ireland, and threw upon it the responsibility of devising a scheme of Irish government. The Government undertook, if the Dublin Convention could reach substantial agreement, to give legislative effect to its recommendations. The Convention duly reported in April, 1918, but the measure of agreement was insufficient and the Government, therefore, determined once more to produce a scheme on their own responsibility.

Meanwhile military conscription was tardily applied to Ireland (1918), but it remained a dead letter, since Ireland was now in the grip of the Sinn Fein revolutionaries. Between May 1, 1916, and September 30, 1919, no fewer than 1,293 outrages were perpetrated in Ireland. Attacks on British soldiers and the Royal Irish Constabulary were almost daily reported, nor were they at all abated by the enactment (1920) of a Bill for the better government of Ireland. Under this latest edition of Home Rule, two Parliaments, with Executives responsible thereto, were to be established in Dublin and Belfast respectively, and each Parliament was to contribute twenty members to an all-Ireland Council, which it was hoped might, in time, develop into an all-Ireland Parliament. The Nationalists in Ireland would, however, have none of "partition"; the Sinn Feiners demanded an independent republic. In southern Ireland the scheme was still-born; Ulster accepted and is working it as at least a preferable alternative to Home Rule of the Gladstonian type.

Meanwhile the social condition of southern Ireland went from bad to worse. The British Government applied methods of repression with a half-heartedness which was cruel to all parties and calamitous in its effects. Soldiers and police sacrificed their lives in support of a Government unworthy of their devotion. The end came with dramatic suddenness. On June 22, 1921, the King and Queen visited Belfast to open the Ulster Parliament. In an historic speech King George appealed to "all Irishmen to stretch out the hand of forbearance and conciliation, to forgive and forget and join in making for the land which you all love a new era of peace and contentment and good-will."

The response was immediate. The Prime Minister invited Sir James Craig, the Ulster Premier, and Mr. de Valera, the Republican leader, to a conference in London. The former promptly accepted the invitation: the latter with hesitation and conditionally. On July 11 a truce was, however, proclaimed in Ireland; all the members of Dail Eireann — the revolutionary convention — were released, and on July 14 Mr. de Valera and his colleagues arrived in London. After lengthy negotiations the British Government offered, under certain conditions, "Dominion Status" to southern Ireland, but on August 10 the offer was refused by Mr. de Valera, in consultation with Dail Eireann. The Dominion Status offered was, he declared, illusory; nothing less than "complete detachment" would satisfy Ireland. Independence the British Government would not concede; but the better sort in Ireland were weary of anarchy, and after prolonged manoeuvres Mr. de Valera at last accepted an invitation to further conference (October), and on December 6, 1921, a "Treaty" was signed. Ireland was, under conditions, to enjoy the

full Dominion Status of Canada, under the style of the Irish Free State, northern Ireland having the right to contract out of it. On March 31, 1922, the Royal Assent was given to a Bill embodying the terms of the "Treaty."

In Ireland the "Treaty" had been approved by Dail Eireann on January 7 by a narrow majority (64 to 57), and despite a passionate protest from De Valera. Three days later Mr. Arthur Griffith was elected head of the Provisional Government, and on January 22 the "Treaty" was unanimously approved by the southern Irish Parliament. The British army evacuated Ireland, the Royal Irish Constabulary were disbanded, and the last vestiges of the British Government were removed from Dublin Castle. Ireland was abandoned to anarchy and civil war. The Republicans with De Valera at their head carried on a guerilla war against the new Government and inflicted great damage upon the country and terrible suffering upon the people. The virulence of the Republican party was demonstrated by the murder in London of Field-Marshal Sir Henry Wilson, a distinguished English soldier, the military adviser of Ulster, and one of the most patriotic citizens of the empire (June). Two months later Mr. Michael Collins, the Commander of the Irish Free State troops, was ambushed and killed in Ireland, only a few days after the sudden and somewhat mysterious death of Mr. Arthur Griffith.

Mr. Cosgrave succeeded Mr. Griffith as President, and in December Mr. T. M. Healy, for many years a distinguished member of the Imperial Parliament, was sworn in as Governor-General. They set themselves at once to the insistent task of restoring peace to a distracted country. How far they can succeed time only will show. Anyway, the fate of Ireland is now exclusively committed to her own hands.

ENGLISH POLITICS

The Irish difficulty produced, as always, its reactions in English politics. The Conservative wing of the Coalition party had from the first manifested great uneasiness as to the Irish policy of the Cabinet. To save Ulster from subordination to a Dublin Parliament they assented to the Bill of 1920; but the outrages in Ireland, and the bitter humiliations inflicted upon soldiers of the Crown in Ireland and upon the Royal Irish Constabulary, above all the negotiations for the "Treaty," led to a revolt among a considerable section of the rank and file of the Conservative party.

Ireland was, however, only the last straw. The stricter sect of Conservatives had long suspected the Lloyd George Government of a sneaking sympathy with socialistic doctrine. The 73 members of the Socialist party in Parliament appeared to them to exert an influence upon administration and legislation out of all proportion to their numbers. A policy of nationalisation as applied to coal-mines and railways was believed to find favour in influential quarters, while the administration of certain departments gave evidence of a similar influence in operation. With the approach of the period for the dissolution of the "Armistice Parliament," a large majority of the Conservative party resolved to break up the Coalition and to resume their old party independence. Mr. Bonar Law was induced to emerge from partial retirement, and on the resignation of Mr. Lloyd George (October, 1922) became Prime Minister at the head of a purely Conservative Cabinet.

An appeal to the country in November confirmed the new Government in office and gave the Conservatives a majority of 79 over all other parties combined. The Labour-Socialist party at the same time increased its representation from 73 to 142. After a few months of office Mr. Bonar Law's

health gave way (he died October 30, 1923) and he was succeeded in the Premiership by Mr. Stanley Baldwin, who had taken a prominent part in the Conservative revolt of the previous autumn and had become Chancellor of the Exchequer under Mr. Bonar Law.

Convinced that economic conditions in England — notably the continuance of unemployment — called for a drastic change of fiscal policy in favour of some measure of protection, the new Premier appealed to the country for a mandate to give effect to his convictions (November, 1923). The response was unfavourable: the Labour-Socialists again increased their representation from 142 to 191; the Liberals from 117 to 155, while the Conservatives decreased from 347 to 259.

A situation is thus created to which there is no precise parallel in English history. Of the three parties in Parliament, none has an absolute majority, and, in the absence of a fresh coalition, the idea of which is equally distasteful to all parties, one party must hold office on the sufferance of one or both of the other two. On the meeting of the new Parliament (January, 1924) Mr. Asquith moved a vote of no-confidence in Mr. Baldwin's Ministry. Supported by the Labour-Socialists, and by all save a handful of Liberals, the motion was carried by a large majority. Mr. Baldwin immediately resigned, and the King entrusted the formation of a new administration to Mr. Ramsay MacDonald, the leader of the Labour-Socialists in Parliament. Mr. MacDonald has formed a Government with himself as Prime Minister and Foreign Secretary, Mr. Clynes, who began life as a Lancaster mill-hand, as Lord Privy Seal and Leader of the House of Commons, and Mr. J. H. Thomas, an ex-railway servant, as Colonial Secretary; Mr. Snowden, a strong Socialist of an academic type, has become Chancellor of the Exchequer, and Mr. Sidney Webb, a well-known Fabian Economist, President of the Board of Trade. Lord Haldane has greatly facilitated the formation of a Labour Government by resuming his seat on the wool-sack, and also four other Peers have joined it.

The advent of a Government of an entirely unprecedented type has been received in England with complete and characteristic *sang-froid*. The older parties and almost the entire Press seem determined to give the new Ministers something more than fair-play, and indeed to assist them, in all legitimate ways, to walk worthy of the high vocation to which they are called. True, the full implications of a new experiment are somewhat disguised by the fact that the new Ministers are not the masters, but the servants, of the House of Commons, and that thus far they have shown themselves conscious of this governing fact. But when all deductions have been made, it remains true that January, 1924, has marked an era of no small significance in English history.

CHAPTER XXVII

IRELAND'S PROBLEMS

By The Rt. Hon. Sir Horace Plunkett, K.C.V.O., F.R.S., LL.D.

Founder of the Irish Agricultural Organisation Society; Member of Parliament (1892–1900); Commissioner Congested Districts Board, Ireland; First Vice-President of Department of Agriculture and Technical Instruction, Ireland; Chairman Irish Convention, 1917–1918. Author of *Ireland in the New Century;* etc.

INTRODUCTORY

The history of almost every civilised country in the first quarter of the twentieth century will centre round the gathering and breaking of the World War storm and its aftermath of woe. In Ireland, on the other hand, the realities of the war seemed but to hasten the centuries-old "Irish Question" along its predestined road. The space at my disposal permits but a very restricted treatment of my subject. I shall, therefore, concentrate upon this distinguishing aspect of Ireland's latest story. I shall tell of the political and military struggle by the majority of the people to put an end to the legislative and administrative control of the British Government, in which they succeeded, and, at the same time, to maintain the legislative and administrative unity of the country as a whole, in which they failed. To understand this strange and momentous chapter in Irish history, it will be necessary to have a clear conception of the positions held respectively at the beginning of this period by the three forces in action — the Irish majority, the governing class in Britain and the Protestant community of Ulster.[1] These three positions I will very briefly state.

History had taught the Irish majority to regard England as the enemy. The fact that this majority was Catholic acted as a check on every attempt to fuse Ireland into one whole with Great Britain. The space limit precludes an adequate consideration of the ever-present religious factor in the Irish problem. But two things may be noted. During the period to be reviewed there was a distinct decline in the political power of the Roman Catholic clergy. The Irish Catholics found it natural to accept the cult of nationalism, and to claim for Ireland the right to the undivided allegiance of all Irishmen. It is also essential to realise that the Irish mind cleaves to the historic claim for Ireland's independence, with power to develop her own civilisation and take her place among the nations.

The governing classes of Great Britain, predominantly Protestant, held that the fiscal union of the British Isles, and a single undivided control over British armaments and British foreign policy, were essential for the peace and prosperity of the then United Kingdom, to which the whole of an Irishman's loyalty was due.

[1] The word Ulster is commonly used, and I shall henceforth use it here, to specify the Protestant community in that province.



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A public session of Dail Eireann, the Sinn Fein Parliament, at the Mansion House in Dublin in 1921. Eamon de Valera is seated in the large chair behind the table.



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The historic "Four Courts" in Dublin in flames and ashes after the battle between the Free State and irregular troops in 1922. These law courts were erected between 1786 and 1796.

The Ulster Protestant subscribed to this doctrine. He saw in a separate tariff system, controlled by a Dublin Parliament dominated by farmers ignorant of modern industrial conditions, economic ruin for the whole fabric of manufacturing industry he had laboriously built up. By sentiment and tradition he felt himself to be a citizen of the United Kingdom no less than an Irishman. If one side of this dual nationality must go, he was determined that it should not be the British side.

THE HOME RULE CONFLICT BEFORE THE WAR

The British Liberal party had, since 1885, been committed to the doctrine of Home Rule, subject to the above-named fiscal, military and foreign policy reservations. To the Tories, Irish nationalism was fundamentally separatist: a Dublin Parliament would be a powerful lever in the hands of an implacable adversary. Both these parties hoped that a policy of land reform and other ameliorative legislation would counteract the desire for complete independence and the reliance upon violent agitation for the removal of political grievances. The Tory view went further, and indulged the illusion that material prosperity through governmental assistance would lead to the final acceptance of British rule.

Between 1891 and 1911 a series of enactments, too numerous to specify, tried out the ameliorative policy. The Congested Districts Board[1] dealt with the problem of overpopulation on the barren mountain sides of the western seaboard — the legacy of Cromwell's alternative "Hell or Connaught." A land settlement, supplemented with a remarkably successful coöperative movement, and the provision, under the Department of Agriculture and Technical Instruction,[2] of a modern system of agricultural and industrial development, had raised the standard of comfort, which had been deplorably low, more rapidly than it had risen during these same decades in Britain. Agricultural labourers were provided, at public expense, with decent houses. Local administration had been made as democratic as in England. On the surface there was peace.

The material and social benefits of these measures were admittedly great: their political result was the reverse of what had been expected. Increased wealth and improved education had given the Irish Catholic leisure and facilities for examining the history of England. His attention was concentrated upon the commercial restrictions and Penal Laws of the seventeenth and eighteenth centuries. In 1896 the British Financial Relations Commission had admitted a grave overtaxation of Ireland. The Irish Catholic looked back to the old Gaelic civilisation which had been destroyed by successive invaders. He saw that, with the passage of the land back from the landlords to the native Irish, the political centre of gravity would shift from the Protestant ascendency to the descendants of the Gael. He dreamt of restoring or creating a Gaelic civilisation, free from all taint of British influence. In the 'eighties the Gaelic Athletic Association had revived Irish games, excluding supporters of the British connection from participation therein. The Gaelic League,[3] on the other hand, sought to make converts, following Parnell's dictum that Ireland could not spare a man. But it was no less wholehearted in persuading the country to turn its back on Great

[1] Created in 1891. Its powers and funds were added to in subsequent years.

[2] Created in 1899 and commenced work in 1900. It has laid the foundations through improved vocational education for rapid material advancement when the country is again settled.

[3] Founded in 1892.

Britain. It relied chiefly upon the revival of the Irish language for building up a Gaelic culture. It professed to eschew politics, but its political effect was immense.

It was Arthur Griffith who first saw the need for the political incarnation and practical application of the spirit of the League. In 1906 he founded Sinn Fein [1] as an organisation created to promote his policy. To conciliate the Irish Protestant he spoke not of undoing the conquest but of restoring the Constitution of 1783, in winning which the Ulster Protestant had played a leading part. But the end in view was political, economic and spiritual independence, to be attained by refusing to recognise the validity of the Union, boycotting the British Parliament and peacefully building up the machinery of an independent government in Ireland. Griffith's policy did not attract many supporters. It was generally regarded as impracticable. But the spirit which inspired it had the sympathy of the rising generation. Even from the Irish Labour world, led by Connolly and Larkin, came unexpected support. Harsh experience had taught them the doctrine of the class war, but they were both by instinct strong Nationalists. Suspecting that the strength of the Irish employer lay in the support he received from English capitalism, they felt that an Irish Republic was the shortest road to the Irish workman's rights — a doctrine they preached in the Labour press.

Thus in the first decade of the twentieth century Young Ireland could be seen everywhere threatening to overstep the bounds set by British statesmen for the Irish nation. Nevertheless in 1912, the Liberal Cabinet, having removed the chief obstacle to Home Rule, the veto of the House of Lords, brought forward a bill embodying its Irish policy. It was plain that Home Rule could be enacted and, unless Ulster showed that she would resist it by force, carried into effect.

The Ulster Protestants resolved to resist. They bound themselves by a solemn covenant to refuse obedience to an Irish Parliament. In the two years before the World War, they planned a Provincial Government and raised and armed a volunteer force of 100,000 men — proceedings thoroughly in harmony with Ulster traditions and quite spontaneous. But, as the dislike of Home Rule was based not merely on an objection to being forced under a Dublin Parliament, but also on a desire to remain in union with Great Britain, Ulster looked for support from that quarter, and received it in full measure. Mr. Bonar Law pledged the Tory party to support the armed resistance unless the Government submitted their bill to the verdict of a new election.

It was now clear that the supremacy of the Imperial Parliament would either have to yield to the Ulster challenge or be upheld by military force. A new factor seemed to preclude the second alternative. It was common knowledge that British officers of standing would offer to resign if called upon to act against Carson's volunteers. The war clouds were gathering over Europe, and the merest suspicion of discontent in the British army, whose expeditionary force was relied upon to preserve the nicely calculated balance of power in Europe, might expedite Armageddon. The scales fell from the eyes of the Irish Parliamentary party. Ulster knew, and they knew, that the Liberals would not coerce the northern province, and that Young Ireland would tolerate no such denial of their ideal, "Ireland a Nation," as would be the exclusion of a province, which the Liberal Government now began to suggest. They had no solution of their own to offer, and could do nothing but watch the course of events with helpless anger and dismay.

[1] Literally translated "we ourselves" and pronounced Shin Fane. "Ireland for the Irish" would best signify the chief implication of the term.

The situation grew worse and worse. The physical force policy had been abandoned because the Liberal-Irish alliance seemed to give promise of Home Rule. But now that a Liberal Government had allowed Ulster to arm, how could it prevent Nationalist Ireland from arming too? Labour was early in the field. Beaten in the Dublin strike of 1913, Connolly and Larkin had organised the Irish Citizen Army to act in Labour's interest. Its numbers were small — under 2,000 men — but their temper and Connolly's personality made it dangerous. The intellectuals were equally swift to seize the opportunity. In November, 1913, a dozen advanced Nationalists met in Dublin and decided to bring into being an Irish volunteer force. These men belonged to different organisations and different schools of thought and their aims differed. None of them desired to see the Irish volunteer force turn its weapons against the Ulster volunteers; some intended that it should be used to win Ireland's independence when the hour of England's difficulty arrived.

Now the Home Rule Bill reserved the control of military forces to the British Parliament and the appearance of an Irish volunteer force, whose programme declared it to be a permanent organ of the Irish nation, was a startling confirmation of the Tory contention that the reservations and restrictions in the Home Rule Bill were illusory. The Irish Parliamentary party, now depending for their very existence on British adoption of their policy, naturally disapproved of the Volunteer movement. But the provocation offered by Ulster was too great. The country took up the challenge, and it was plain that the controllers of the Irish volunteer force would soon be dangerous rivals to the party. Redmond, the leader of the Irish Parliamentary party, tried to get control of the force by nominating for the governing committee men he could trust. But it was too late, and the danger to the Government would now be in direct proportion to the possession of arms by the volunteers. In April, 1914, the Ulster volunteers landed rifles and ammunition at Larne. No action was subsequently taken by the Government to secure control of these arms, which were everywhere publicly displayed. Three months later the Irish volunteers landed rifles at Howth. A Dublin police officer called out the military and endeavoured to seize the rifles when they were in the hands of the volunteers. The incident was unaccompanied by loss of life, but a rumour reached Dublin that there had been a massacre. An angry crowd stoned the soldiers on their way back to barracks. They fired, killing three and wounding some forty men, women and children. A flame of anger shot up in all Nationalist Ireland. Two days previously had come the news of a break-down in a final effort to bring about a compromise on the Home Rule Bill, and it seemed certain that the Liberal Government would proceed with an amendment of the bill which Redmond would not dare to accept. So signal a failure of the Parliamentary party would be the end of constitutional methods.

THE UNSETTLED IRISH QUESTION IN THE WORLD WAR

The outbreak of the World War merely postponed the evil day. John Redmond, the leader of the old Irish Nationalist party in the British Parliament, chivalrously promised Ireland's coöperation without bargaining for any reward. His hope was that Ulster might be won if Nationalist Ireland showed herself loyal to Great Britain in the hour of need. Redmond's magnanimity was loudly applauded in England. It was assumed that he spoke for Catholic Ireland: it was hoped that Ulster would shake hands with her old adversary and that all would be harmony within the British Isles. Ulster held back,

utterly mistrusting Catholic Ireland — a mistrust shared by the War Office, which declined to arm, train or recognise the Irish volunteers.

Redmond's policy was from the first sharply challenged by the younger Nationalists, and when in September, 1914, he called on the Irish volunteers to furnish recruits for service in France, the original governing committee retorted by expelling his nominees. Redmond then formed a new force, the National volunteers, and his name was still strong enough to draw away about 160,000 out of the 170,000 Irish volunteers. But the men were half-hearted, and it was now plain that Redmond's policy was doomed unless he could persuade the British Government to commit itself to putting Home Rule for the whole of Ireland, with liberal guarantees to Ulster, into operation after the war. The British Cabinet could make no such offer. The leaders of the Irish volunteers increased in influence daily and carried on a vigorous and successful anti-recruiting campaign.

From the outbreak of the war, the possibility of an armed insurrection with German aid had been contemplated by the Irish Republican Brotherhood, a secret society in the Fenian tradition, which furnished some of the Irish volunteers. Throughout 1915 touch with Germany was maintained largely through Irish-American channels. Under pressure from Labour's Citizen Army the Irish volunteers agreed, with much misgivings, to a plan for a rising at Easter, 1916. A German ship was to land arms in Kerry. While they were being distributed to the volunteers in the south and west, the Dublin brigade of the volunteers and the Citizen Army were to seize and hold the city. The plan miscarried, and the German ship had to sink herself to avoid capture. When the news reached Dublin, there was division in the councils of the volunteers. MacNeill (now Minister of Education) cancelled the orders for a mobilisation. Pearse, who was then proclaimed President of the Republic, Connolly, and Clarke, a Fenian leader, declined to accept this decision and chose to strike and be beaten rather than submit and be disarmed. It was a forlorn hope; but these men reckoned that their failure would raise up in Ireland a spirit that England could neither placate nor subdue.

The Irish Government was taken by surprise. Though not more than a thousand volunteers turned out on Easter Monday, they succeeded in seizing most of their objectives in the city. The plan was simply to hold what they had seized as long as possible, in the hope that the Irish people would rise to support them. They were left unsupported, to be hemmed in by reinforcements from England and overpowered by artillery. The fact was, the Irish people were angered by the useless sacrifice of innocent lives and, but for the military and political mishandling of the situation, Sinn Fein, instead of being greatly strengthened, might have lost its influence. Had the army, whose comrades were fighting for the very existence of their country, indulged in a bloody suppression of the rising, they would not have been too harshly judged. But that is not the British way. When the rebels had capitulated, 15 of their leaders, several of them poets and dreamers, were tried and executed. Some 3,000 Irishmen, taken at random, as it seemed, were interned in Britain. It became known that an insane British officer had arrested Sheehy Skeffington, a well-known pacifist, and executed him with two others, without even the formality of a trial. Asquith came to Ireland, promised the abolition of Castle Government and delegated the task of an Irish settlement to Lloyd George. Castle Government remained, and no settlement was reached. The moral authority of the British *régime* vanished. The country could now be held by force alone.

At Christmas, 1916, shortly after Lloyd George became Prime Minister, the interned Irishmen were released. They forthwith sank their differences

and settled down to the work of organising Ireland to secure her independence. America's entry into the war made it impolitic to rely longer upon German aid. On the other hand, President Wilson's doctrine of self-determination suggested that the Irish claim might be brought up at the Peace Conference. It was therefore decided to rely in the first instance on an appeal to that quarter. By-elections in 1917 showed that Nationalist Ireland had swung over to Sinn Fein. The volunteers were drilling, and arming themselves by raids on private houses. In the west the people were taking the law into their own hands and dividing up the land. The cooler heads in Sinn Fein had difficulty in restraining the physical force men. The young of both sexes were straining at the leash.

Meanwhile Lloyd George, having to consider the unsettled Irish Question as a factor in America's attitude to the British and the World War, turned his mind again to the search for a settlement. The Irish Convention was set up and invited to frame a constitution for Ireland within the empire. He promised to give effect to its proposals if a substantial measure of agreement were attained. The Convention, which sat from July, 1917, to April, 1918, was representative of all that five years previously had been influential in Ireland. But Sinn Fein, which now commanded the allegiance of the young, declined to participate. Still the Convention struggled hard to find an acceptable solution for the Irish problem based upon "a single Parliament for an United Ireland" admitted by Lloyd George in a letter to its chairman (the present writer) to be "an essential of a settlement." On this basis the representatives of the southern Unionists could have made terms with those of Irish Nationalism if only Ulster would come in. But Ulster could not be moved.

A settlement was not arrived at in the Convention, but its majority report might have led to further negotiation but for an untoward circumstance. When the result of its deliberations reached the British Cabinet early in April, 1918, military disaster in France made it urgent to reinforce the shattered armies. Driven by a demand from England, Scotland and Wales for the conscription of at least the young men of Ireland, Lloyd George induced Parliament to extend compulsory service to that country while its long-promised Parliament was interned in the statute book. This affront to Irish Nationalism united the Irish as never before. It soon became evident that the trained soldiers who would have to be employed would outnumber the raw recruits who could be dragged to the front. The British Government shirked the contest, thereby losing for ever its prestige and moral authority. There was as yet no Irish Government to take its place, and the political demoralisation of the country grew apace.

POLICY AND FORCE AFTER THE WAR

After the Armistice of November, 1918, came the General Election. A Home Rule Act was on the statute book, but not yet in force. The powers given by the Act were less than the most moderate Nationalist now demanded, and Ulster had wrung from almost every British statesman the promise that it should never be compelled to come under a Dublin Parliament. Sinn Fein had saved Ireland from conscription, and confidently believed that America might be induced to compel England to recognise an Irish Republic. The Parliamentary party had failed, and the chief issue of the election was its extinction. Few realised that in voting for Sinn Fein they were committing the country to waging war singlehanded against England. But the political victory of Sinn Fein was complete.

In January, 1919, the Sinn Feiners elected met at Dail Eireann[1] and proclaimed Ireland an independent Republic. De Valera was elected President. An Irish delegation having failed to obtain recognition at Versailles, Sinn Fein decided to set up a native government side by side with the British Government, to claim for it the allegiance of all Irishmen, to equip it with machinery for enforcing its claims, to capture and control the local self-governing bodies, and thus to oust the British. The process was to be gradual and, as far as possible, peaceable, a high standard of probity and efficiency being maintained. Obviously the British Government, which ever since the Easter Rebellion had been striving to disarm and suppress the Irish volunteers, must sooner or later strike at the whole machinery of the Irish Republic. Then the Irish volunteer force, or the Irish Republican Army, as it was now called, would be compelled to wage a defensive war.

On the whole the Sinn Fein programme was carried out according to plan, though probably few members of Dail Eireann foresaw the ugly and demoralising nature of the war they were entering upon. The military leaders would have to do whatever might be necessary to attain their objective. So long as the British Government was receiving full information, it could at any moment seize the Sinn Fein leaders, raid their stores of arms and thus paralyse the republic. The first essential step was to deprive the Government of its eyes and ears by destroying the police and intimidating the would-be informer. Here Sinn Fein could reckon on the active sympathy of nine-tenths of Catholic Ireland. It had friends in all the Government offices, and especially in the Post Office. Its secret service was thus able to censor official communications, the Viceroy's post-bag not being immune. Not only those who sold their side for money, but also Irish Unionists who gave information, such as warnings of ambushes, being in conscience bound to protect the forces of the Government, were treated as spies. Those engaged in secret-service work were "executed" with or without the formality of a trial. Service on British court-martials was held to justify assassination.

Against the police force, backed by the Army of Occupation, as it was commonly called, Sinn Fein had the young men organised in the Irish Republican Army, as a territorial militia under local leaders. But at first very few of the men had arms. Wearing uniform or acting in permanent formations which could easily be distinguished from the civil population, they would have been easily demolished. Their one chance of success was to live unrecognised among the civil population, employing all the devices of guerilla warfare. Many unarmed individuals were slain, and at times the conflict degenerated into cold-blooded murder. There were signs that the conscience of the country was being revolted by some of the outrages perpetrated, when the British Cabinet took the disastrous step of announcing a policy of reprisals, including the burning of the rebels' houses. Their reply was "for every cottage a castle" — no idle threat. With few exceptions the regular army, charged with a most distasteful political mission, acted up to its humane tradition, and it would be wholly unjust to make them responsible for the acts of a minority of the irregular forces brought over to deal with the emergency and turned loose upon the country.[2]

The British Government could not make their strength felt without admitting a state of war in Ireland, and thereby drawing the world's attention to the spectacle of England denying to Ireland the right of self-determination, while asserting it in the case of other small nationalities. This

[1] The Parliament of Ireland, pronounced Dawl Ehrhann.

[2] These consisted largely of men discharged from the army. They came in khaki uniforms, and, in the process of changing into the dark green uniforms of the police, were nicknamed "The Black and Tans."

consideration precluded resort to a blockade, the destruction of villages or the other wholesale methods of terror which can be defended by — and only by — the existence of a state of war. The army was hopelessly handicapped and compelled for the most part to stand on the defensive, boycotted, insulted and exposed to attacks which to it seemed treacherous murder. The military were concentrated and kept under strict discipline, the brunt of the struggle falling on the police who were scattered in small barracks over the countryside. Resignations, induced by boycott and intimidation, seriously depleted the ranks of the famous Royal Irish Constabulary. The remaining police, with an increasing proportion of imported men ignorant of the country, did what they could. They raided for arms, enemy correspondence and wanted men. But they were often ambushed, and any man who showed conspicuous zeal or ability was marked down to be shot. Baffled and enraged, some of the police broke through all restraints and tried to strike terror into the countryside. They would revenge the death of comrades by burning a coöperative creamery, wrecking a town or shooting a prominent Sinn Feiner, often the best and most respected man in a county. When they laid hands on a man whom they believed to be an active member of the Republican Army, they shot him where they found him, even if it were in the presence of his wife. They became aware that opinion in both countries was against them. Their *morale* broke down. They lost faith in their leaders. Some looted. Many drank. They alienated friends as often as they intimidated a foe. On the other side, the Sinn Feiners were confident in the justice of their cause, which the opinion of the world had supported. They had faith in their leaders, knew the country, had early and accurate information and, if entirely ruthless, were rigidly sober. Every blow they struck went home. Meanwhile, the British Prime Minister, in deference to the prejudices of the party dominant in the Coalition, and heavily preoccupied with world affairs, postponed time after time a political settlement, and as soon as American opinion ceased to be of vital importance, abandoned all efforts at conciliation in favour of force.

THE SETTLEMENT THAT DID NOT SETTLE

By the summer of 1921 the British Cabinet had come to see that Ireland could not be reconquered without the wholesale application of measures hardly less cruel than the sporadic excesses of the auxiliary police and of the undisciplined forces on the other side which neither English, nor indeed world opinion, would tolerate. So Lloyd George was allowed to call a truce and make a great bid for peace. At an earlier stage, while the events just summarised were absorbing public attention to the complete exclusion from the Irish mind of political action in far-off Westminster, he had induced Parliament to pass a new Home Rule Bill which Ulster did not want and the rest of Ireland simply ignored. Briefly, it set up two Parliaments for two areas, now for the first time placed upon the British political map. "Northern Ireland" included six counties of Ulster, and "Southern Ireland" the other 26 counties of Ireland. Thus Ireland and Ulster were both partitioned, the Covenant being scrapped in the three predominantly Catholic counties of the northern province. Two of the six counties, Tyrone and Fermanagh, almost wholly agricultural, would if allowed self-determination have thrown in their lot with the 26 counties. But then the Ulster leaders would have had to face the danger of a Labour majority. It was attempted to gild the pill of partition by setting up a "Council of Ireland" upon which the six and the 26 counties were to be equally represented. This institution has so

far "failed to materialise." Its powers were to be nominal unless both Parliaments agreed to increase them. It dangled before the patriot the vision of an all-Ireland Parliament.

Now, however, Lloyd George had realised that his peace offer must go the length of Dominion status for Ireland outside the six north-eastern counties — a concession he had been implored by moderate Irishmen to make when it might have saved all the horrors of the period after the Armistice. The offer was accompanied with certain reservations suggested by the strategic and economic interdependence of the two islands. The oath of allegiance common to the British Commonwealth was an essential condition.

The Sinn Fein leaders had now seriously to consider their duty. Were they to ask Ireland to fight on rather than accept an oath of allegiance which after all meant little more than a promise of such friendship and coöperation as Irish leaders had always professed that a liberated Ireland would be ready to give? Was Ireland to compel Ulster to come in against its will, a question which could be asked only by those wholly ignorant of Ulster? There was a division of opinion in the Sinn Fein Cabinet, but De Valera was at length persuaded to enter into negotiations: a truce was made and a delegation, which included Collins and Griffith but not De Valera, was sent to London. In the subsequent negotiations England conceded Ireland's right to fiscal autonomy. Collins and Griffith were now satisfied that the terms offered gave Ireland the essentials of freedom. They had formed the opinion that England would fight rather than give way on the questions of naval security, Ulster and allegiance to the King. When therefore the British Cabinet refused to allow negotiations to drag on any longer, Collins and Griffith and their colleagues on the delegation decided to accept the Free State offer.

The treaty, signed on December 6, 1921, at once split the Sinn Fein Cabinet. De Valera issued a manifesto denouncing it, and, when the Dail Eireann met, there were long and angry debates. At last on January 8, 1922, the treaty was ratified by a narrow margin, 64 votes to 57. De Valera resigned his office. Griffith was elected President of Dail Eireann in his place and a Provisional Government was set up in accordance with the terms of the treaty.

It was generally agreed that the decision of the Dail had the approval of at least three-quarters of the population, but the minority refused to be bound by it. Numerically weak though it was, the minority was dangerous as it included a large section of the Irish Republican Army. The rank and file of this army and many of its leaders were little more than boys. They had been told that they were fighting not for Home Rule but for an Irish Republic — they knew nothing and cared nothing about the difference between Gladstonian Home Rule and Dominion status. The oath to an English King was poison to them, and they did not see how any Irishman could take it. Encouraged by idealists, appealed to by women infuriated by the suffering of their menfolk at the hands of the Black and Tans, they saw in compromise nothing but dishonesty and dishonour. Not a few were disinclined to abandon a life of not unprofitable adventure for the laborious paths of peace.

This minority denied the right of a war-weary majority to disestablish the republic for the sake of peace with England. By obstruction and open defiance they endeavoured to destroy the authority of the Provisional Government and with it the treaty. Failing in this, they reverted to guerilla war — this time against their own countrymen. They struck at the lives and properties of active supporters of the Free State and at the economic life of the country which they sought to paralyse by destroying the railways and the roads. Government buildings, many containing priceless records, were

burned to the ground. The only tangible result of this wanton destruction was to rob Ireland of the prosperity which her food production in the war had brought within her easy reach. Far more serious than the material loss was the general demoralisation of the country-side, where the habit of obedience had perished, the machinery of the law had been destroyed and the payment of taxes had lapsed. The Republican army, which had hitherto kept order in a rough and ready way, was now rent in sunder by faction from top to bottom. There was no authority anywhere. Even the Church had lost its influence in the sphere of morals. The high-handed and the dishonest became a law unto themselves. Just when the threat of chaos was at its worst, Griffith was killed by overwork and Collins by a Republican bullet.

But in spite of these calamities the Free State Government saved the situation by extraordinary courage and perseverance. In the midst of civil war, it built up a new and serviceable army. It resolutely declined to be drawn into fresh debates on the Terms of the Treaty, and it did not shrink from drastic measures to bring a murderous guerilla warfare to a close. By July, 1923, the Republicans had been forced to abandon the policy of armed resistance, and at the General Election held in August there was little disturbance or intimidation. The election gave 46 seats to Republicans and 107 seats to the supporters of the treaty. In the following month the Free State of Ireland was formally admitted into the League of Nations. It also took part in the Imperial Conference which assembled in October, 1923.

THE TWO IRELANDS

We must now turn back to Ulster. At the end of the war, it was generally admitted that Ulster's hostility to Home Rule had weakened. Labour was beginning to think of its own class interests and to see the need for union between Protestant and Catholic wage-earners. But if Sinn Fein's tactics in 1920 and 1921 proved successful in bringing England to terms, they were equally effective in repelling Ulster. In July, 1920, the Protestant shipyard workers in Belfast rose against their Catholic fellows, presuming them to be in sympathy with their co-religionists in the south, drove them out of the ship-yards, and later fired their houses under cover of night. Gunmen of the Irish Republican Army came to their rescue from the south and, for the next two years, riots and bloodshed were constantly recurring in the streets of Belfast or in other parts of the six counties. It was not till July, 1922, that the newly formed Northern Government could claim that life and property were secure within its jurisdiction. By that time Ulster had hardened in its resolve never to enter into any form of partnership with Catholic Ireland, and the unedifying spectacle of civil war in the Free State increased a hundredfold the strength of its determination. But northern Ireland was not yet freed from anxiety.

The Treaty of December, 1921, drafted and signed without consultation with Ulster's representatives, provided for the appointment of three commissioners by the Free State, northern Ireland and the British Government respectively, to rectify the boundary between northern Ireland and the Free State. The commissioners were to have regard to geographical and economic conditions and to the wishes of the inhabitants. This provision of the treaty threatens Ulster with the loss of the counties of Tyrone and Fermanagh — and the city of Londonderry, all of which if granted self-determination would, by a small but safe majority, give their allegiance to the Free State. The loss of these areas would be a deadly blow to the

pride of Ulster. Londonderry and Enniskillen are the holy cities of the Ulster tradition, and there are strong Protestant populations in Tyrone and Fermanagh, armed and organised to resist separation. On the other hand. it is not easy for the Free State to forget the Catholic population in the border counties. The appointment of the Boundary Commission was postponed owing to the Republican outbreak, but the Free State Government is now demanding that it shall be called into operation. Some hold that this demand will give rise to a " dispute likely to lead to a rupture between members (*i.e.*, Britain and the Free State) of the League " of Nations, which its council declared on September 28, 1923, to be within its duty to deal with under Article 15 of the Covenant.

RETROSPECT AND PROSPECT

Any reader, looking back over the period I have traversed, will note one outstanding change for the worse. At the beginning an effort was being made by moderate men everywhere to reconcile the conflicting claims of Great Britain and Ireland. Similar work of conciliation was needed to meet the Ulster difficulty. But the policy of the predominant party in Ireland had no patience with — or worse, affected to ignore — the strange but none the less genuine ideal of that community. To this failure of statesmanship may be attributed the passing of all influence upon the conduct of Irish affairs into the hands of extremists on both sides of the Irish Sea, and the stirring up again of the religious and racial animosities, whose fires had been dying down. In the end, Great Britain, Ireland and Ulster have all had to surrender their principles. To-day there is a tariff wall in the once United Kingdom between the Free State and Great Britain and Ulster. Ireland is partitioned, but remains in the British Empire. Ulster is separated wholly from the rest of Ireland and largely from Great Britain.

On the brighter side of the outlook, reckless destruction has subsided into sullen obstruction; and this too is yielding to the sobering influence of time. The Free State Government has shown a high degree of courage and signs of real statesmanship. It has, on the whole, reacted to the wishes of the majority of the Irish people. The economic problems to be faced are of appalling difficulty, but the material resources of the country, being mainly agricultural, cannot have been destroyed, however their development may have been retarded. The demoralisation incidental to the events recorded was not of sufficiently long duration to have gone very deep. Circumstances will impose coöperation in many matters on the two Irelands. The Intransigents must take up their work as a constitutional opposition or cease to count. The moderate majority has shown itself willing to make ample allowance for the unprecedented difficulties of the Government. Under such conditions, the recovery of Ireland, with all that it means for herself and the world, is not only possible, but need not be long delayed.

CHAPTER XXVIII

THE UNITED STATES BECOMES A WORLD POWER

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NEW EPOCH MARKED BY THE SPANISH WAR

The war with Spain marked the end of the long period of political, financial and economic reconstruction which followed the Civil War. The attention of the American people, absorbed for more than a generation by internal problems, was directed once more to questions of foreign policy which had lain dormant for half a century. Expansion to the south, at a standstill since the Treaty of Guadalupe Hidalgo in 1848, was resumed, and the long-delayed, but inevitable, advance into the Caribbean, a favourite policy of the 'fifties, was at last begun. The project of an Isthmian canal, laid aside at the beginning of the Civil War, was now taken up with a definiteness of purpose which insured success. In a brief quarter of a century the United States has established itself so firmly in the Caribbean that its control of this important strategic area is no longer questioned, a fact which has caused no little alarm to its southern neighbours. With the Spanish War the United States also resumed policies in regard to the Pacific, which had been prominent in the 'fifties. Not only were the Hawaiian Islands annexed — an old project — but also the Philippines, which brought America into intimate relations with Eastern Asia, then the storm centre of world politics. John Hay's "Open Door" was but the restatement of a policy which found earlier expression in the first American treaty with China, signed in 1844, and in Commodore Perry's famous expedition to Japan ten years later. Expansion in the Caribbean and in the Pacific made inevitable the construction of a Canal and the building of a big navy.

The emergence of Japan from the war with Russia as a first-class Power, with the ambition to dominate Eastern Asia and to contest with the United States the mastery of the Pacific, made American foreign problems infinitely more complex and, in fact, drew the United States into the full current of world politics. For a century or more there had been the European system of the balance of power, with the United States as the only detached nation. There were now two Great Powers outside the European system, and Japan had no traditional aversion to taking a hand in world affairs, a situation that would inevitably draw the United States into future combinations.

ROOSEVELT'S SUCCESSION TO THE PRESIDENCY

The United States was scarcely launched on its new career as a World Power when Theodore Roosevelt succeeded McKinley in the presidency.

The new pilot had none of the political caution of his predecessor, but he believed that his ship was seaworthy and he did not hesitate to steer her into new waters. In spite of his declaration on taking the oath of office that he would "continue absolutely unbroken the policy of President McKinley," his attitude from the first was that of bold and aggressive leadership, and during the next three years he broke many of the precedents of American political history.

The combination between politics and big business, which McKinley's adviser and campaign manager, Mark Hanna, had openly proclaimed, had encouraged and accelerated the formation of great industrial combinations. About the time that Roosevelt came to the presidency, the most gigantic of all combinations was formed when the United States Steel Corporation purchased the stock of eleven great companies, thus bringing under one management capital aggregating over a billion dollars. In his first annual message the new President alarmed the capitalistic classes by attacking trusts and large aggregations of capital, and followed it up by the successful prosecution, under the Sherman Anti-Trust Act of 1890, of the Northern Securities Company, which had been formed for the purpose of holding a majority of the stock of the Great Northern and the Northern Pacific railroads. He disconcerted the politicians by pushing forward the investigation of extensive public land and postal frauds, resulting in the conviction of two United States Senators. He antagonised the South by inviting a coloured man, Booker Washington, to his table and by the appointment of a negro postmistress in Mississippi and a negro collector at Charleston. He astonished the public in October, 1902, by intervening in the great anthracite coal strike, which had lasted for five months and had caused a general coal famine throughout the country. He called John Mitchell, head of the United Mine Workers of America, and the presidents of the coal-carrying railroads, which constituted the coal trust, to a conference at the White House. Mitchell consented to arbitration, but the railroad presidents refused. As a last resort, Roosevelt sent for J. P. Morgan, the financial backer of the coal trust, and persuaded him to bring the railroad presidents to terms. The President was bitterly assailed for this and other acts by certain classes, but public sentiment in the main sustained him. Roosevelt introduced a new epoch in American politics. His appeal was always to the moral sense of the average American, and he showed little regard for special interests, classes or sections.

THE PANAMA CANAL AND THE NEW CARIBBEAN POLICIES

The greatest achievement of Roosevelt's administration was the construction of the Panama Canal. Before this great task could be undertaken by the United States, it was necessary to secure the consent of the British Government to a modification of the Clayton-Bulwer Convention of 1850, which recognised England's joint interest in any canal that might be built between the two oceans. Before the close of McKinley's first term, John Hay had negotiated a new treaty which was torn to pieces by the Senate. Roosevelt had concurred in the Senate's objections to this treaty, and soon after coming into office he directed Hay to re-open negotiations along new lines. There resulted the Hay-Pauncefote Treaty of 1901, which cleared the way for a canal to be constructed, operated and fortified by the United States.

The next question was the choice of a route. This question was complicated by the French concession at Panama. The House favoured the Nicaragua route and passed a bill directing the President to build a canal at that point. The President and Senate favoured the Panama route, and a



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William McKinley, President 1897-1901.



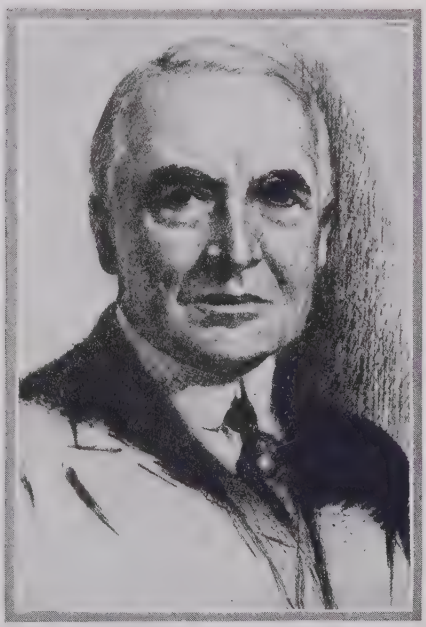
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Theodore Roosevelt, President 1901-1909.



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William Howard Taft, President 1909-1913.



Etching by Pierre Nuyttens, courtesy of the Randolph Collection

Warren G. Harding, President 1921-1923.

FOUR RECENT AMERICAN PRESIDENTS

compromise was finally reached in the so-called Spooner Amendment, which directed the President to proceed to construct a canal at Panama, provided he could secure a clear title to the property of the French Company and a right of way from Colombia "within a reasonable time and upon reasonable terms." If he could not do this, he was directed to construct a canal through Nicaragua.

The French Company was able to give a satisfactory title, and on January 22, 1903, Secretary Hay signed with the Colombian representative in Washington a treaty by the terms of which the United States agreed to pay Colombia $10,000,000 and an annual rental of $250,000 for the lease of a strip of land six miles wide across the Isthmus of Panama. This treaty was ratified by the United States Senate, but it was rejected by the Colombian Senate August 12, 1903, by a unanimous vote. The advocates of the Nicaragua route now began to take courage, and had things continued in this situation until the meeting of Congress in December, the President would in all probability have been directed to build the canal through Nicaragua. This Roosevelt was determined not to do.

Meanwhile there was much dissatisfaction in the State of Panama at the failure of the treaty and open talk of secession from Colombia. On November 3 Panama proclaimed its independence, and American marines were immediately landed on the Isthmus with instructions from the President to prevent the landing of Colombian troops within fifty miles of Panama. A week later the Republic of Panama was formally recognised by the United States as an independent state. Such hasty recognition of a new republic was without precedent in the history of American diplomacy, and naturally confirmed the rumours that President Roosevelt had indirectly fomented the revolution. A treaty was promptly signed with the new republic by which the United States secured the right of way for the canal on the same terms that had been offered to Colombia. The Panama episode created strained relations with Colombia and made a bad impression throughout Latin America. Several years later Mr. Roosevelt, in a public speech, said: "If I had followed the traditional conservative methods I should have submitted a dignified state paper of probably two hundred pages to the Congress and the debate would be going on yet, but I took the Canal Zone and let Congress debate, and while the debate goes on the canal does also."

The construction of the canal was finally placed in the hands of General Goethals and a corps of army engineers, and it was opened to commerce August 15, 1914, though it was not completed at that time and traffic was subsequently interrupted at times by landslides.

The building of the Panama Canal and the advance of the United States into the Caribbean led to the development of new political policies in what has been called the larger Canal Zone, that is, the West Indies, Mexico, Central America, Colombia and Venezuela. Some of these policies, which have already been pretty definitely formulated, are the establishment of protectorates, the supervision of finances, the control of all possible canal routes, the acquisition of naval bases and coaling stations, and the policing of disorderly countries. Porto Rico was annexed at the close of the Spanish War and Cuba became a protectorate, the terms of which were defined by the Platt Amendment; the Canal Zone was a little later acquired, and the Dominican Republic came under the financial supervision of the United States; President Taft landed and maintained a body of marines in Nicaragua, and proposed to place both that country and Honduras under financial supervision, but the Senate refused to ratify the treaties that had been signed; President Wilson went further and assumed the administration of Haitian affairs, leased from

Nicaragua for a term of ninety-nine years a naval base on Fonseca Bay, and purchased the Danish West Indies.

In 1904 President Roosevelt made a radical departure from traditional policy in proposing that the United States should assume financial supervision over the Dominican Republic in order to prevent certain European Powers from forcibly collecting debts due their subjects. Two years previously Germany had made a carefully planned effort to test the Monroe Doctrine by making a naval demonstration against Venezuela in conjunction with Great Britain and Italy. The object of the expedition was to collect certain claims of their subjects. As soon as Venezuela, through the mediation of Herbert Bowen, the American Minister, agreed to submit the claims to arbitration, England and Italy accepted the offer and withdrew their squadrons. Germany refused to arbitrate and continued the blockade of Venezuela. How Roosevelt compelled Germany to withdraw, under a threat to send Admiral Dewey with the entire American fleet to Venezuela, was made public in a rather sensational way in Thayer's *Life and Letters of John Hay.*

In 1904 Germany was again threatening to coerce an American republic for the purpose of collecting debts. This time the delinquent state was the Dominican Republic, and the only effective method of collecting the interest on the foreign debt appeared to be the seizure and administration of the custom houses. President Roosevelt did not care to have a repetition of the Venezuelan episode and he foresaw that the threatened occupation of Dominican custom-houses would, in view of the large debt, constitute the occupation of American territory by a European Power for an indefinite period, and would, therefore, be a violation of the Monroe Doctrine. He concluded, therefore, that if it was necessary to place a bankrupt American republic in the hands of a receiver, the United States must undertake to act as receiver, and take over the administration of its finances. He boldly adopted this policy, and when the Senate refused to ratify the treaty which he had made with the Dominican Republic, he proceeded to act under an informal agreement, and after two years forced the Senate to acquiesce.

As long as the Monroe Doctrine was merely a policy of benevolent protection which Latin-American States could invoke after their unwise or evil conduct had brought European Powers to the point of demanding just retribution, it was regarded with favour and no objection was raised to it; but the Roosevelt doctrine, that if the American Government was to continue to protect Latin-American states against European intervention, it had a right to exercise an international police power over them and to see that they refrained from conduct that was likely to provoke such intervention, was quite a different thing, and raised a storm of criticism and opposition. Yet Roosevelt's position was entirely logical, and his policy was continued by both Taft and Wilson.

INTERNATIONAL ARBITRATION

The United States not only took a prominent part in establishing the Permanent Court of Arbitration at The Hague, but had the honour of appearing before it in 1902 as the first litigant in the case of the United States *v.* Mexico in the matter of the Pious Fund of the Californias. To President Roosevelt was also due the submission of the second case to the Hague Court, for he suggested that tribunal as the proper body to decide the question of preferential treatment demanded by the Powers who had resorted to force against Venezuela in 1902 as against other creditor Powers.

The convention establishing the Hague Court did not bind any Power

to submit any dispute to arbitration. Resort to the Court was purely optional, but in 1903 and 1904 a number of European Powers concluded treaties binding each other to submit to arbitration disputes involving points of law or the interpretation of treaties, provided they did not affect "the vital interests, the independence, or the honour" of the contracting parties. In 1904 Secretary Hay negotiated similar treaties with France, Great Britain, Germany, and a number of other Powers, but the Senate amended them in such a way as to prevent the President from submitting disputes to arbitration under the treaties without securing the consent of the Senate in each case. Roosevelt regarded this action as nullifying the compulsory feature of the treaties, and did not refer them back to the other Powers in their amended form.

In 1903 Roosevelt succeeded in bringing about a settlement of the Alaskan boundary dispute through arbitration. The international boundary between the southern strip of Alaska and British Columbia had not been surveyed when gold was discovered in the Klondike. As the shortest routes to the gold-fields lay through this strip by way of Dyea and Skagway, the Canadians set up a claim to certain deep-water ports which was at variance not only with the treaties and other documents relating to the boundary, but also with a long series of maps issued year after year by the Canadian Government. Roosevelt finally proposed that the question be referred to a commission composed of three Americans, two Canadians, and Lord Alverstone, Lord Chief Justice of England. If Lord Alverstone should decide with the American members of the commission, the United States would win; if he should decide with the two Canadian members, there would be no decision. Fortunately he decided with the Americans; the two Canadians dissented. It was charged by some in Canada that Lord Alverstone had sacrificed their interests in order to promote the British policy of friendly relations with the United States.

At the second Hague Conference, held in 1907, Mr. Joseph H. Choate, head of the American delegation, acting under instructions from Secretary Root, proposed the establishment of a permanent international court of justice. The creation of an international court of justice whose decisions would have the force of law, as distinguished from a court of arbitration whose decisions are usually arrived at by compromise, had long been advocated by advanced thinkers, but had usually been held by men in public life to be impracticable and idealistic. The serious advocacy of the proposition at this time by a great nation like the United States and the able arguments advanced by Mr. Choate marked an important step forward and made a profound impression. Two difficulties stood in the way of establishing such a court. In the first place, the delegation of the United States was the only one which had instructions on the subject, and in the second place it was found to be impossible to agree upon a method of selecting the judges. The United States was still advocating the project and trying to remove the difficulties in the way of its realisation when the World War began.

ROOSEVELT'S ACTIVITY IN WORLD POLITICS

In 1904 Roosevelt was reëlected, his opponent being Judge Alton B. Parker, who represented the advocates of a return from Bryanism to "safe and sane democracy." Roosevelt received the largest popular vote and the largest popular majority that had ever been recorded for any President. He carried even Missouri, while Parker did not carry a single state outside the

South. With the renewed confidence derived from such an overwhelming victory, Roosevelt was more inclined than ever to disregard precedents and established traditions and to take the initiative in both foreign and domestic affairs. In the field of diplomacy the most important events of his second administration were connected with the Russo-Japanese War and the Moroccan crisis.

John Hay's efforts to maintain the open door in Manchuria were not successful, and as a result of the Russian advance Japan finally delivered an ultimatum which resulted in war. Throughout the remarkable contest that followed, the sympathies of the American people were largely with Japan. Notwithstanding a series of brilliant victories on land and sea, Japan finally found herself approaching the end of her resources, and at the suggestion of the Japanese Emperor, as we now know, President Roosevelt intervened diplomatically and succeeded in getting the two belligerent Powers to appoint commissioners for the purpose of negotiating peace.

The commissioners of Russia and Japan met aboard the President's yacht at Oyster Bay, August 5, 1905, and then proceeded to Portsmouth, New Hampshire, where the treaty was signed a month later. The terms of the Treaty of Portsmouth were a bitter disappointment to the Japanese people, who had been kept in ignorance of the real state of affairs, and the Japanese commissioners undertook to shift the burden from their shoulders by stating that President Roosevelt had urged them to abandon all claim to an indemnity. A Japanese military victory had again, as at the close of the war with China, been followed by a diplomatic defeat, and for this defeat Japanese public opinion held the President of the United States responsible.

In 1906 the Japanese claimed that their treaty rights in California were being violated by the action of the San Francisco School Board, which had passed a resolution directing all Japanese, Chinese and Korean children to be sent to an oriental public school especially provided for them. President Roosevelt directed the district attorney to assist the Japanese in their efforts to have their rights protected by the courts. The incident created great interest throughout the country, and raised the question as to whether the United States has the constitutional right to make a treaty which overrides the laws of a state. The question was temporarily adjusted by the so-called "gentleman's agreement," by which the Japanese Government promised not to issue passports to Japanese labourers desiring to come to the United States, and the consent of the San Francisco School Board to admit Japanese children to the ordinary schools under certain limitations of age and ability to use the English language.

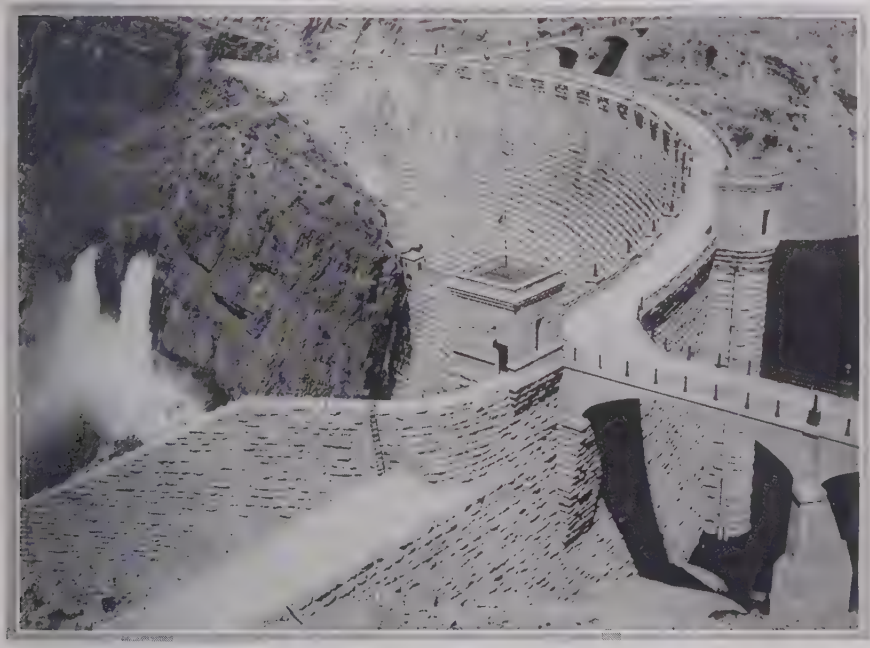
President Roosevelt was so greatly annoyed at the attitude of Japan that in the autumn of 1907 he decided to send a great American fleet on a voyage around the world and to have it visit Japanese waters as an object-lesson. The fleet made the long voyage from Hampton Roads around the Horn and across the Pacific, was received with marked courtesy by the Japanese Government, and continued its long journey around the globe without any untoward incident.

President Roosevelt's intervention in the Moroccan crisis was an even more radical departure from the traditional American policy of isolation. His object was to preserve the balance of power in Europe which had been seriously disturbed by the Japanese victories over Russia. As soon as France was rendered helpless by the military reverses suffered by her ally, Russia, the German Kaiser challenged France's position in Morocco. The situation was critical in the extreme when Roosevelt intervened and persuaded all Powers concerned to submit the whole Moroccan question to a general conference. The conference which convened at Algeçiras, Spain, turned out to



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The Pan-American Building in Washington, where the meetings of the Washington Disarmament Conference were held in 1922.



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The Roosevelt Dam, Salt River, Arizona, built in 1911 at a cost of $4,091,000. It is one of the largest in the world, being 280 feet high and 1,125 feet in length, with a storage capacity of 425,235 million gallons.

be a bitter disappointment to Germany. Not only did France receive the loyal support of England, but she was also backed by the United States and even by Italy — a warning to Germany that the Triple Alliance was in danger. The United States participated nominally on the ground of safeguarding its rights under the commercial treaty of 1880, and was represented by Henry White, at that time Ambassador to Italy, and Samuel R. Gummeré, Minister to Morocco. As the United States professed to have no political interests at stake, its delegates were instrumental in composing many of the differences that arose, and their influence was exerted to preserve the European balance of power. The facts in regard to America's part in the conference were carefully concealed from the public. Had the part Roosevelt was really playing been known at the time, he would not have been upheld either by the Senate or by public opinion. When the Senate found out what had taken place, it attached to the resolution ratifying the treaty a long preamble declaring that American participation was "without purpose to depart from the traditional American foreign policy which forbids participation by the United States in the settlement of political questions which are entirely European in their scope." And yet Roosevelt had averted for a time a general European war.

THE ROOSEVELT POLICIES AND THE ADMINISTRATION OF TAFT

Roosevelt's indiscriminate attack on big business and "predatory wealth" reacted on the credit conditions of the country and led to serious financial disturbances in the fall of 1907. A number of banks failed and the financial leaders became alarmed. They claimed that the attack on trusts, the passage of new laws, and the enforcement of pure-food regulations had brought about the panic.

One of Roosevelt's greatest services to the country was the movement to conserve the national resources. Not only had a large part of the public lands been acquired by railroads and other corporations, but private interests had also secured control of most of the coal, lumber and water rights. In 1902 Congress passed the Newlands Bill, which began the great work of national irrigation. In 1908 President Roosevelt invited the governors of all the States to a conference at the White House, at which they were urged to coöperate with the National Government in the great work of conservation.

Roosevelt announced upon several occasions that he would not be a candidate for a third term. As the policies which he had developed and advocated in his characteristic way during his second term were still on trial, the important question was who should be selected to carry them out. The names of Root, Taft and Hughes naturally suggested themselves, but before the opening of the campaign of 1908, the President let it be known that Taft was his choice, and he employed all the influence of his administration in securing Taft delegates to the Republican National Convention. Taft was nominated in the first ballot, and a platform endorsing the Roosevelt policies was adopted. The Democratic convention nominated for the third time William Jennings Bryan. The Democrats claimed that Roosevelt had adopted most of the Bryan policies, and that Bryan could no longer be regarded as a radical. Taft was elected by a large majority, and immediately after his inauguration Roosevelt set out on a hunting trip to Africa.

Roosevelt had been keenly alive to the new social and economic conditions created by modern industrialism, and he had caught the new spirit of democracy that had arisen in the West and was sweeping over the country. He tried earnestly to make the Republican party progressive, but he did not succeed in divorcing it from its alliance with big business. Taft was at heart

a conservative, and the business interests were quick to seize the opportunity to sidetrack the Roosevelt policies. Before the close of his administration, Taft had a divided party on his hands, and the way was open for the return of the Democratic party to power.

The trouble in the Republican party began over the tariff, which in the Payne-Aldrich Bill was revised up instead of down as promised in the party platform. This created great dissatisfaction among the Republicans of the Middle West. The controversy between Dr. H. W. Wiley, who had charge of the enforcement of the pure-food laws, and his chief, Secretary Wilson, and the dismissal of Gifford Pinchot (head of the Bureau of Forestry and an intimate personal friend of Roosevelt), who had become involved in a controversy with Secretary Ballinger, convinced the public that the Taft administration was not carrying out in good faith the Roosevelt policies. The party became split into two factions, the conservatives, or "standpatters" as their opponents called them, and the "insurgents," led by Senators La-Follette and Cummins, both of whom aspired to the presidency. In the House of Representatives the chief of the "standpatters" was Speaker Cannon, who exercised more despotic sway than had ever been dreamed of even by "Czar" Reed in the days of Harrison and McKinley. In March, 1910, the insurgents united with the Democratic minority and changed the rules so as to deprive the Speaker of many of his most important powers. In the elections of 1910 the Democrats chose a majority of the House and elected governors in Massachusetts, Connecticut, New York, New Jersey and Indiana.

Several important acts were passed during President Taft's term, the most important being that of June, 1910, establishing a system of postal savings banks, and the Act of August, 1912, introduced by a Democrat, David J. Lewis of Maryland, establishing a parcels post. The income tax amendment, proposed by President Taft in 1909, was proclaimed as the Sixteenth Amendment in February, 1913, and the Seventeenth Amendment, providing for the direct election of United States Senators by the people, which had passed the House half a dozen times, was finally adopted by the Senate in 1911 and submitted to the States. It was proclaimed May 31, 1913, shortly after the close of Taft's administration.

THE ELECTION OF WOODROW WILSON

In June, 1910, Roosevelt returned from his hunting trip in Africa to find that many of his warmest personal friends had parted company with Taft. He soon plunged into the thick of the fight. In a speech at Osawatomie, Kansas, August 31, he laid down a new political creed called the "New Nationalism." In this address he embraced the whole Western programme: Federal regulation of trusts, a graduated income tax, tariff revision, labour legislation, direct primaries, and the recall not only of administrative officers, but of judicial decisions. In February, 1912, in an address before the Constitutional Convention of Ohio, he came out strongly for the initiative, referendum and recall. He ignored LaFollette, who had organised a National Progressive Republican League, and in February, 1912, announced that his hat was in the ring, and began an active campaign for delegates to the Republican National Convention. As the Republican machine stood by Taft, he had a safe majority of the delegates that came to the Chicago convention, though Roosevelt carried the States in which primaries were held and secured over 400 delegates. Roosevelt also contested on various pretexts the seats of 250 Taft delegates, thus claiming a majority of the convention. When

the National committee rejected these claims and the convention renominated Taft, Roosevelt denounced the action as "theft," addressed a mass convention of his followers, and sent them home to organise a new party.

The Democratic convention met in Baltimore, and on the forty-sixth ballot nominated Woodrow Wilson after a bitter fight between his followers and the delegates who supported Champ Clark. In the campaign that followed, the antagonism between Republicans and Progressives became exceedingly bitter. Roosevelt fought with his characteristic vigour, but his attack was directed against Taft rather than against Wilson. Although Wilson's popular vote was nearly a million less than the Republican and Progressive votes combined, he received 435 electoral votes to Roosevelt's 81 and Taft's 15.

It was some time after the inauguration of Wilson before the politicians began to comprehend the new type of man whom the people had called to the presidency. They readily admitted his extraordinary intellectual gifts, but what they could not understand was his grasp of the details of political organisation, of the game of politics as actually played, the quickness with which he interpreted the popular will, and his ruthless use of publicity as a weapon of coercion. Although Roosevelt had developed latent presidential powers to a striking extent, even he had failed to realise the full possibilities of the office. Wilson's belief in presidential initiative and party leadership, based on principle and derived from a profound study of English as well as American politics, was more consistently exercised. He broke the precedents of a hundred years, disconcerted the politicians, and astonished but pleased the people by going before Congress and personally urging legislation on important matters. No President had ever been so successful in forcing the hand of Congress and compelling that body to enact into law party pledges and popular demands.

He called Congress to meet in extra session in April, 1913, and appeared before a joint session to urge a revision of the tariff. The Underwood Act of October 2, 1913, was a revision downward of the Payne-Aldrich Tariff, and was framed with a view to encouraging rather than restricting foreign trade. The Federal Reserve Act of December 23, 1913, radically revised the financial system which had grown up under the National Banking Act of 1863. Its object was to decentralise credits by establishing reserve banks in convenient centres throughout the country and thus to prevent the accumulation of reserve currency in New York banks. It made the currency more elastic and greatly diminished the danger of financial panics to which the old system frequently gave rise. It successfully stood the test of the war, though the extraordinary demands of the period led to unforeseen developments, particularly in the direction of closer governmental control than had been designed by its authors. Other measures adopted by this Congress were the Federal Trade Commission and Clayton Anti-Trust bills, which were passed after months of debate in October, 1914. Congress then adjourned, having been in almost continuous session for eighteen months and having enacted more constructive legislation of far-reaching importance than any Congress since the Civil War.

THE MEXICAN QUESTION

The President was not to be permitted, however, to give all his time to domestic legislation. His administration was scarcely under way when the attention of the country was drawn once more to the anti-Japanese agitation in California. This time the State Legislature proposed to deny to aliens who were ineligible to American citizenship the right to acquire agricultural

land. The President sent Secretary Bryan to urge moderation upon the legislators. He was not wholly successful. The act as finally passed safeguarded the treaty rights of aliens, but as existing treaties with Japan did not specifically cover the point in question, the Japanese were left without redress.

Another question that had to be carefully handled was the dispute with Great Britain over the Panama Tolls Act, passed during the Taft administration, which exempted American vessels engaged in the coastwise trade from the payment of tolls. Great Britain claimed that this act was in violation of the Hay-Pauncefote Treaty. President Wilson believed that the British interpretation of the treaty was correct, and he had the difficult task of persuading Congress to repeal the exemption clause of the Tolls Act. This was done June 15, 1914.

The Mexican question was bequeathed to Wilson by the Taft administration. In May, 1911, Porfirio Díaz, who had been President of Mexico since 1884, was forced to retire, and Francisco Madero, the leader of the revolt, was elected President. On February 18, 1913, Madero was seized and imprisoned as the result of a conspiracy formed by one of his generals, Victoriano Huerta, and four days later he was murdered. Henry Lane Wilson, the American Ambassador, urged his Government by cable to recognise Huerta, but President Taft, whose term was rapidly drawing to a close, took no action. President Wilson thus had a very disagreeable situation to face when he assumed control of affairs at Washington. As Huerta was a self-constituted dictator, whose authority was contested by insurrectionary chiefs in various parts of the country, the President refused to recognise him. This refusal was resented by Huerta, who thereafter paid little attention to the personal or property rights of Americans. On April 20, 1914, President Wilson asked Congress for authority to employ the armed forces of the United States in demanding redress for the arbitrary arrest of American marines at Vera Cruz, and the next day Admiral Fletcher was ordered to seize the custom-house at that port. This he did after a sharp fight with Huerta's troops in which nineteen Americans were killed and seventy wounded, while the casualties among Huerta's forces were reckoned at several hundred. The American chargé d'affaires was at once handed his passports, and all diplomatic relations between the United States and Mexico were severed.

A few days later the representatives of the so-called A B C Alliance, Argentina, Brazil and Chile, tendered their good offices for a peaceful settlement of the dispute, and President Wilson promptly accepted their mediation. The resulting conference at Niagara, May 20, was not successful in its immediate object, but it resulted in the elimination of Huerta, who resigned July 15. On August 20 General Venustiano Carranza, head of one of the revolutionary factions, assumed control of affairs at the capital, but his authority was disputed by General Francisco Villa, another insurrectionary chief. On Carranza's promise to respect the lives and property of Americans, the United States forces were withdrawn from Vera Cruz in November, 1914.

In August, 1915, at the request of President Wilson, the six ranking representatives of Latin America at Washington made an unsuccessful attempt to reconcile the contending factions of Mexico. On their advice President Wilson decided in October to recognise the Government of Carranza, who now controlled three-fourths of the territory of Mexico. This action angered Villa, who began a series of attacks on American citizens and raids across the border, which in March, 1916, compelled President Wilson to send a punitive expedition into Mexico and later to dispatch most of the regular army and large bodies of militia to the border.

The raids of Villa created a very awkward situation. Carranza not only

made no real effort to suppress Villa, but he vigorously opposed steps taken by the United States to protect its own citizens along the border, and even assumed a threatening attitude. There was a loud and persistent demand in the United States for war against Mexico. American investments in land, mines, rubber and sisal plantations, and other enterprises were very large, and these financial interests were particularly outraged at Wilson's policy of "watchful waiting." The President remained deaf to this clamour. No country had been so shamelessly exploited by foreign capital as Mexico. Furthermore, it was very generally believed that the recent revolutions had been financed by American capital. President Wilson was determined to give the Mexican people an opportunity to reorganise their national life on a better basis and to lend them every assistance in the task. War with Mexico would have been a serious undertaking, and even a successful war would have meant the military occupation of Mexico for an indefinite period. After the entrance of the United States into the World War, many of those Americans who had dissented radically from the President's Mexican policy became convinced that his refusal to become involved in war with Mexico was most fortunate. Furthermore, Wilson's Mexican policy convinced the world of his sincerity, and paved the way for the moral leadership which he exercised during the World War.

President Wilson's Mexican policy was avowedly based on his larger Pan-American policy. Its most novel feature was his acceptance of the mediation of the A B C Powers and his subsequent consultation with the leading representatives of Latin America. This action brought the Pan-American ideal almost to the point of realisation. It was received with enthusiasm, and it placed the relations of the United States with Latin America on a better footing than they had been for years.

THE WORLD WAR

When the war began in Europe in August, 1914, President Wilson, following the traditions of a hundred years, issued as a matter of course a proclamation of neutrality, and he thought that the more scrupulously it was observed the greater would be the opportunity for the United States to act as impartial mediator in the reëstablishment of peace. As the fierceness of the conflict developed it became evident that the rôle of neutral was not an easy one to play, and that the vital interests of the United States were involved to a far greater extent than any one had foreseen.

Notwithstanding the large German population in the United States and the propaganda which the German Government had systematically carried on for years, the invasion of Belgium and the atrocities committed by the Germans soon arrayed public opinion on the side of the Allies. This was not a departure from neutrality, for it should be remembered that neutrality is not an attitude of mind, but a legal status. As long as the Government fulfilled its obligations as defined by the law of nations, no charge of a violation of neutrality could be justly made. The rules of naval warfare, especially those relating to contraband and blockade, were in an unfortunate state of uncertainty as a result of the codification made by the London Naval Conference of 1909, which had not been ratified by all the Powers. The United States proposed that all belligerents agree to adopt the Declaration of London for the period of the war, but on the refusal of Great Britain, France and Russia to accept this proposal, it was promptly withdrawn.

Great Britain and France immediately took steps to cut off as far as

possible the foreign trade of Germany and Austria. The naval supremacy of Great Britain made it comparatively easy for her to stop all direct trade with the Central Powers in articles contraband of war, but this would have been of little avail had Germany been permitted to import those articles through the neutral ports of Italy, Holland and the Scandinavian countries. Under these circumstances, an ordinary blockade of the German coast would have had little effect. Therefore, no such blockade was proclaimed by Great Britain. She adopted other methods. She enlarged the lists of both absolute and conditional contraband, which she had a right, within reasonable limits, to do, and under the doctrine of continuous voyage seized articles on both lists bound for Germany through neutral countries, a practice more open to dispute. The United States protested vigorously against this policy, but the force of its protest was weakened by the fact that during the Civil War the American Government had pursued substantially the same policy in regard to goods shipped to Nassau, Havana, Matamoros and other neutral ports adjacent to the Confederacy. In fact, the doctrine of continuous voyage or transshipment in the form in which England was applying it, was an American doctrine enunciated by the Supreme Court to justify the seizure of British goods during the Civil War.

The sudden interruption of international trade, particularly of cotton exports, caused general business depression in the United States, and the country was saved from a serious financial panic only by the operations of the Treasury Department under the new Federal Reserve Act. Business revived, however, when American firms began taking orders from England, France and Russia for large supplies of arms and munitions of war. A few months later, Germany and Austria protested against this trade as one-sided and, therefore, unneutral, and held that it justified the submarine policy which was adopted in February, 1915. They were fully aware that their arguments had no basis in international law or practice. Indeed, their protests were probably designed to influence public opinion and help the German propagandists, who were making a desperate effort to get Congress to place an embargo on the export of munitions.

Under pressure of what amounted to a stringent blockade, the German naval authorities decided to employ their large submarine flotilla, which had been unable to inflict any serious damage on the British navy, in an attack on British commerce. On February 14, 1915, Germany proclaimed a war zone around the British Isles, including the whole of the Channel, declared that all enemy merchant vessels encountered in these waters after the 18th would be destroyed, even though it might not be possible to save the passengers and crews, and added the warning that neutral vessels could not always be prevented from suffering from attacks intended for enemy ships. Against this decree President Wilson at once protested, and warned the German Government that it would be held to a "strict accountability" for the destruction of American ships or the loss of American lives. The submarine policy was nevertheless inaugurated on the date set, and within a few weeks two Standard Oil tankers bearing the American flag were torpedoed and several American citizens killed. Before definite action had been taken on these cases, the whole world was startled by the deliberate and carefully planned destruction of the British liner "Lusitania" by a submarine attack off the southern point of Ireland, May 7, 1915. She was bound from New York to Liverpool with nearly 2,000 men, women and children on board, of whom 1,152 perished, including 114 Americans. The German press hailed the sinking of the "Lusitania" as a triumph of the submarine policy. In America it was defended only by the extreme pro-Germans. There was a strong demand for war and for the immediate dismissal of the German Ambassador, but Presi-



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A group in the Library at Sagamore Hill, Theodore Roosevelt's home at Oyster Bay, L. I. Mr. Roosevelt is holding his youngest grandchild, the son of Archibald B. Roosevelt, and about him are the baby's mother; Mrs. Theodore Roosevelt; Mrs. Richard Derby and her children, Richard, Jr., and Ethel.

dent Wilson determined to exhaust the resources of diplomacy before severing relations. During the course of the correspondence over the "Lusitania," Secretary Bryan, who feared that the President was leading the country into war, resigned, and Robert Lansing was appointed Secretary of State. Matters were brought to another crisis in August by the torpedoing of the White Star liner "Arabic," causing the death of two American citizens. In order to avoid drawing the United States into the war, Count Bernstorff, the German Ambassador, gave assurance that henceforth liners would not be sunk by submarines without warning and without saving the lives of non-combatants, provided they would not attempt to escape or offer resistance. This pledge was not kept in good faith, and the torpedoing of the "Sussex" in March, 1916, created a third crisis. The German Government repeated even more solemnly the pledges Bernstorff had given a few months before, and for a time there was a cessation of submarine activity.

Meanwhile the German propagandists, having failed to get Congress to place an embargo on the export of munitions, formed an extensive conspiracy to break up the trade by criminal methods. Numerous explosions occurred in munition plants, destroying many lives and millions of dollars of property, and bombs were placed in a number of ships engaged in carrying supplies to the Allies. The Austrian Ambassador, Dr. Dumba, and the German military and naval attachés, Captain von Papen and Captain Boy-Ed, were found to be involved in these activities and their recall was demanded. These conspiracies were not confined to foreigners, but many naturalised Americans of German origin were involved. The term "hyphenated" American was applied to them, and played an important part in the presidential campaign.

REËLECTION OF WILSON

The Congress which met in December, 1915, passed a number of measures of far-reaching importance. The National Defence Act provided for a regular army of 186,000 officers and men, a federalised National Guard of over 400,000 men, a system of civilian training camps for reserve officers, and the establishment of plants for the production of nitrates and other products used in the manufacture of munitions. The failure of Congress to adopt a somewhat different plan advocated by the Secretary of War and the general staff caused Secretary Garrison to resign in February, 1916, and a month later Newton D. Baker of Ohio was appointed Secretary of War. The Naval Bill, passed several months later, provided for an expenditure of over $500,000,000 for new construction within the next three years. In order to provide for increased army and navy expenditures, a new revenue act was passed in September increasing the tax on incomes, on inheritances, and on the earnings of corporations. Another important measure was an act establishing a Shipping Board. The strong leadership displayed by Wilson in putting through his legislative programme insured his renomination for the presidency, notwithstanding the severe criticism which his foreign policy called forth. When the Democratic National Convention met in St. Louis, June 14, 1916, he was renominated without opposition. The Republicans had held their convention in Chicago a week earlier and nominated Justice Charles E. Hughes of the Supreme Court. He was chosen by the Conservatives of his party as a candidate who would be acceptable to the Progressive party and thus prevent that party from again placing Roosevelt in the field. The Progressives nominated Roosevelt, but he declined and urged his followers to support Hughes. Throughout the greater part of the campaign, President

Wilson remained at his summer residence in New Jersey, where he received delegations and made a number of carefully prepared addresses. He appealed to his record, and paid little attention to the criticisms of his opponents. Hughes, on the other hand, travelled from the Atlantic to the Pacific, and later made a tour through the Middle West. He assailed violently Wilson's Mexican policy, but on the vital issues raised by the European War he was non-committal. He was apparently trying to hold the German-American vote, which was normally Republican. Roosevelt, however, more than made up for any reserve on the part of the candidate. He created widespread enthusiasm among native Americans by denouncing in emphatic terms the misdeeds of Germany and the failure of Wilson to protect American lives and property.

In August a new turn was given to the campaign by the threat of a general strike of railroad men for an eight-hour day and extra pay for overtime. At a White House conference of labour leaders and railroad managers President Wilson proposed that the demands of the men be provisionally conceded and that Congress authorise him to appoint a commission to investigate the whole question. The railroad presidents refused to accept this proposal. The strike was ordered for September 4, and on August 29 the President went before Congress and urged immediate legislation. Congress promptly passed the Adamson law adopting the eight-hour day, extra pay for overtime, and the commission to investigate. The strike was averted, but the President's course was widely assailed as a surrender under pressure to the labour leaders, who had taken advantage of the political situation at home and the delicate state of foreign relations to gain their ends. Hughes eagerly seized the Adamson law as a campaign issue and made it the main target of his attack during the rest of the canvass.

The election turned out to be one of the closest in the history of the country. By nine o'clock of election night it was evident that Hughes had carried New York, Indiana and Illinois, and many of the Democratic papers, including the *New York Times*, conceded his election. The election turned on the Progressive vote of the West more than on any other one factor. This was particularly true of California, where Hughes, during his visit to the State, had identified himself with the leaders of the reactionary faction of the Republican party, with the result that while Hiram Johnson, former Progressive nominee for Vice-President, was elected to the Senate on the Republican ticket by a majority of 300,000, Hughes' vote fell 3,800 short of Wilson's. Hughes carried West Virginia, Delaware and all the northern States east of the Mississippi except New Hampshire and Ohio; west of the Mississippi he carried only Iowa, Minnesota, South Dakota and Oregon. The remaining thirty-one States were carried by Wilson.

THE FAILURE OF NEUTRALITY AND THE DECLARATION OF WAR

During the summer and fall of 1916 the European armies were at a deadlock on the western front. In the east the Germans made a successful drive into Rumania, and early in December occupied the capital city of Bucharest. A few days later the German Government, acting for itself and its allies, announced through a note to President Wilson, which he was requested to transmit to the *Entente* Powers, its willingness "to enter forthwith upon negotiations for peace." President Wilson transmitted the note without comment, but a few days later he addressed an identic note to the Governments of all the nations at war, requesting them to state definitely the terms

on which they would deem it possible to make peace. This demand, resented at first by England and France as unwarranted intermeddling, caused a searching of hearts everywhere, led to a restatement of aims on the part of the Allies, and threw the Central Governments on the defensive. In formulating their replies the Allies were somewhat embarrassed by their secret treaties with Italy and Russia, later to be made public by the Bolsheviki, but they stated fairly definitely the measure of reparation and restitution and the guarantees which they considered indispensable conditions of a permanent peace. The German reply contained no statement of territorial claims and gave no pledge even as to the future status of Belgium.

In reporting the results of this interchange of views to the Senate, January 22, 1917, President Wilson delivered the first of that series of addresses on the essentials of a just and lasting peace which made him the recognised spokesman of the liberal element in all countries and gained for him a moral leadership that was without parallel in the history of the world. For the first time he outlined the principles on which the United States would be willing to enter into a League for Peace, hoping that if a satisfactory basis for the future peace of the world could be established, the war might be brought to a close. He advocated first of all a "peace without victory," and had Germany been willing to make material concessions in response to the President's peace move of December, she might have secured a negotiated peace instead of the dictated peace that was finally imposed upon her.

Germany was not yet ready to concede anything. On January 31 the German Ambassador handed Secretary Lansing a formal note announcing a new zone around Great Britain and France, and warning him that after February 1 all ships, those of neutrals included, found within the zone would be sunk. On February 3 the President appeared before Congress, and in calm and measured tones announced that Count Bernstorff had that day been given his passports, and that all diplomatic intercourse with Germany was at an end. This announcement was received with enthusiasm by the great majority of the American people, who thought that the President had exercised patience with the German Government until patience had ceased to be a virtue. The President said, however, that he would wait for an "overt act" before recommending further action.

Meanwhile shipowners were unwilling to send their vessels to sea, and American commerce was tied up in American ports under a practical embargo laid by decree of the German Government. Under these circumstances President Wilson again appeared before Congress, February 26, and asked for authority to arm American merchantmen. The House voted overwhelmingly for the resolution, giving the President the necessary authority, but under the rules of the Senate permitting unlimited debate, a small group of eleven senators, led by LaFollette of Wisconsin and Vardaman of Mississippi, prevented a vote being taken, and Congress adjourned March 4 without action by the Senate.

Popular indignation against the recalcitrant Senators was raised to a fever heat by the disclosure on March 1 of the "Zimmermann Note," in which the German Foreign Secretary invited Mexico to unite with Germany and Japan in a war against the United States. The dispatch was addressed to the German Minister in Mexico, and had been transmitted through Bernstorff at Washington, but it had been intercepted and delivered to the State Department. Both Mexico and Japan indignantly denied any connection with such a scheme. The Senate met in extra session March 5, and in response to the demands of public opinion revised its rules, placing reasonable limits on debate, and making it impossible for a small group to delay action indefinitely. When Congress convened at the call of the President on April

2, he appeared before a joint session and urged a declaration of war against Germany. The Russian revolution, which had overthrown the Tsar's government in March, had changed the political situation materially. The new Russian Government repudiated all imperialistic aims and adopted the formula: "Self-determination, no annexations, no indemnities." Poland was given her freedom, and the demand for Constantinople was abandoned. The Allies were thus relieved of one of their most embarrassing secret treaties. The Russian revolution enabled the President to proclaim a war of democracy against autocracy. He declared that the quarrel was not with the German people, but with the Prussian autocracy, and that the world must be made safe for democracy. The resolution declaring that a state of war existed between Germany and the United States was passed April 6, 1917, the Senate having supported it on April 4 by 82 votes to 6, and the House of Representatives the day after by 373 to 50. This resolution did not include Austria-Hungary.

FINANCING THE WAR

Although the historic policy of American isolation precluded the idea of a formal alliance even with England and France, it was manifest that the closest coöperation would be necessary in order to win the war. A few days after war was declared, British and French missions, the one headed by Arthur J. Balfour and the other by former Premier Viviani and General Joffre, sailed for the United States. The purpose of these missions was, in the first place, to negotiate loans; secondly, to urge the dispatch of large bodies of troops to Europe; and thirdly, to give the United States the benefit, through the experts that accompanied them, of their three years' military and naval experience. On April 24, $7,000,000,000 was appropriated by Congress for carrying on the war, and of this sum $3,000,000,000 was voted for loans to foreign Governments. Great Britain, France, Italy, Belgium and Rumania each came in for a share, and as the war progressed new loans to foreign Governments were made amounting in all to nearly $10,000,000,000. These loans were not advanced in gold, but in credits in American banks with which the Allied Governments purchased supplies in America. Every purchase from the Allies by the United States Government was, however, paid for by that Government in gold.

The vast sums required for carrying on the war and for loans to the Allies were raised by the sale of bonds and War Saving Stamps and by increased taxation. Five loans were floated during or immediately after the war; the first four were known as the Liberty Loans and the last popularly as the Victory Loan, though technically as the Victory Liberty Loan. All of them were largely oversubscribed, and the total amount raised was over $21,000,000,000. The successive Liberty Loan "drives" were organised very skilfully under the general direction of Secretary McAdoo, and were made the occasions of great patriotic demonstrations. Although the bonds were regarded as a safe investment, they bore a low rate of interest and soon fell below par, but the people continued to subscribe as cheerfully as ever, their prime object being to win the war.

The War Revenue Act of October 3, 1917, formed the basis of war taxation. It increased greatly the tax on incomes, levied an excess-profits tax on corporations and partnerships, increased the internal revenue taxes and import duties, and raised the postal rates. During the entire period of the war, taxation provided about 28 per cent of the total expenditures of the Government, or 39 per cent if the amount loaned to the Allies be deducted and regarded as an investment. Few wars have been financed so largely by taxation.

MILITARY PREPARATIONS

As soon as war was declared, Congress began the consideration of a bill to organise an army on the old principle of voluntary enlistments. The President considered this measure utterly inadequate, and urged that resort be had to the method of a selective draft. His interference with pending legislation was resented in the House, where Speaker Clark and the Democratic leader, Kitchin of North Carolina, both opposed the President's plan. The House Military Committee finally adopted it, however, and it was reported to the House by Julius Kahn of California, the ranking Republican member of the committee. After passing the House the bill was amended in the Senate by the friends of ex-President Roosevelt so as to authorise the President to raise four divisions by voluntary enlistment. The bill was finally signed by the President May 18, 1917, and Roosevelt came down to Washington to get permission to raise a division. But the general staff was strongly opposed to the volunteer principle, and the President refused the request of Roosevelt and let it be known that he did not intend to avail himself of the amendment.

By this law the President was authorised to increase the regular army to 287,000 by voluntary enlistment, to take into the service of the United States all members of the National Guard, and to raise immediately by selective draft a force of 500,000, and later, if necessary, successive drafts of 500,000 each. To this end he was authorised to enroll all men between the ages of 21 and 31. On June 5 over 9,500,000 men were enrolled. As the men registered in their several districts, each was given a serial number by the local board.

The first draft took place in Washington, July 20. When a certain number was drawn, the men having that number in the nearly 5,000 districts throughout the country were called to the service, unless coming within one of the exempt classes. The law provided for the exemption of State and Federal officials, ministers of religion, members of churches forbidding resort to arms, munition workers and others engaged in industries essential to the war, persons mentally or physically unfit, and men on whom others were dependent for support. There were special exemption boards to administer this part of the act. Contrary to the predictions of its opponents, the selective draft was carried out with amazing success. Never in all history had so many men been called to the colours with so little friction or complaint.

To provide officers for the vast army that was to be raised, training camps were opened in June at Fort Myer, Plattsburg, and other points, where candidates for commissions went through three months of intensive training, and were then sent to the great cantonments to train the men who were called to the colours. Sixteen cantonments, each a city in itself, with water supply and sewerage systems, barracks, hospitals, laundries, storehouses, and post-offices, were constructed during the summer, at great expense, it is true, but with such success that by September 5 they were ready to receive the first drafted men. By the end of the year there were in training, including the Regular army and the National Guard, 110,000 officers and over 1,400,000 men.

To provide the necessary equipment for such an army was, for a country not accustomed to military preparations, a stupendous task. Furthermore, the whole character of warfare had changed so completely in the three years of fighting on the western front that Americans were mere novices at the game. Trench warfare had developed every diabolical device that the in-

genuity of man could conceive, and science had devoted its great resources, to an extent never before imagined, to the destruction of human life. The airplane, gas, and the tank were the most novel and important factors in the struggle.

American manufacturers had been making rifles and machine-guns for the Allies, and were furnishing a large part of the ammunition used by the French and British. But the rifle they were making did not have the same bore as that used in the American army, and adjustments had to be made, which caused unexpected delay, before they could supply the needs of their own Government. Although the airplane was an American invention, the British and French — not to speak of the Germans — had developed during the first three years of the war combat planes that were far superior to anything the United States had. Nevertheless, great things were expected of American inventive genius, and an Aircraft Production Board was organised under the Council of National Defense and $640,000,000 appropriated for the purpose. Instead of adopting an English or French model, the board decided to design an American plane and an American motor. After months of delay the "Liberty Motor" was finally perfected, but when the great German drive began in March, 1918, no planes had been sent to France, and the public began to ask why. The President finally appointed Charles E. Hughes, his opponent in the campaign of 1916, to investigate the whole situation. A similar delay was experienced in the machine-gun programme. These delays, and reports that the men in the camps were suffering from lack of blankets and winter clothing, led to a general attack in and out of Congress on the war administration in general and on Secretary Baker in particular.

In January, 1918, Senator Chamberlain of Oregon, Democratic chairman of the Committee on military affairs, made a speech in New York in which he declared that the military establishment had almost stopped functioning "because of inefficiency in every bureau and in every department of the Government of the United States." He had already introduced two bills, one to establish a new Department of Munitions, and the other to establish a War Cabinet to be composed of three distinguished citizens of demonstrated ability. The friends of ex-President Roosevelt hoped in this way to compel his appointment to a high position in the war administration. In fact, he and a group of friends came down to Washington and exerted all their influence in favour of Chamberlain's proposals. This carefully planned effort to take the conduct of the war out of the hands of the Secretary of War was but the beginning of a general attack on the Administration, and President Wilson met it promptly. The day after Chamberlain's speech was published in the papers, the President issued a statement in which he declared that the War Department had "performed a task of unparallelled magnitude and difficulty with extraordinary promptness and efficiency." He admitted that there had been delays and disappointments, but he declared that they were insignificant compared with what had been accomplished. In conclusion he said: "My association and constant conference with the Secretary of War have taught me to regard him as one of the ablest public officials I have ever known."

To meet some of the criticisms the President appointed Edward R. Stettinius, of J. P. Morgan and Company, as Surveyor-General of Army Purchases. The attempt to create a war cabinet did not meet with much support throughout the country, and the measure was not pushed in Congress. The President demanded instead that he be given greater powers. The full powers he asked were not granted, but the Overman Bill authorised him to reorganise the departments and bureaus of the Government so as to produce greater efficiency.

THE NAVY AND MERCHANT MARINE

The expansion of the navy, while nothing like as great as that of the army, was nevertheless unparallelled in history considering the short time the United States was engaged in the war. On April 6, 1917, the navy comprised 364 vessels of all kinds, 4,376 officers and 64,680 enlisted men. When the Armistice was signed, there were in service over 2,000 vessels, 32,452 officers, 507,607 enlisted men, and over 70,000 marines.

The destruction of ships by German submarines during the two years preceding the entrance of the United States into the war seriously interrupted foreign commerce, of which only a small part was carried in American ships. In order to develop a merchant marine, the United States Shipping Board was established by Act of September 7, 1916. This board was authorised to purchase, construct and operate ships through the Emergency Fleet Corporation, which was to be financed by the Government. As soon as the United States entered the war, a great ship-building programme was adopted, and enormous sums placed at the disposal of the board. The Emergency Fleet Corporation constructed the great majority of its ships at Hog Island near Philadelphia.

High wages and the high cost of material made the programme of creating a merchant marine exceedingly expensive, and charges of waste and extravagance were soon made, which led to the reorganisation of both the Shipping Board and the Emergency Fleet Corporation. It took some time for the programme to get under way, but some idea of the magnitude of the work accomplished may be gained from the statement that on July 4, 1918, ninety-five steel, wood, and composite ships, aggregating nearly 500,000 tons, were launched. At the time of the Armistice the average monthly construction was about 140 ships. What to do with all these ships, constructed at war prices, later became a serious problem. The great losses sustained by the Government after the war was over, in selling or trying to operate them, were of course a part of the cost of the war.

MOBILISATION OF NATIONAL RESOURCES

By Act of August 29, 1916, Congress provided for the creation of a Council of National Defence, composed of the Secretaries of War, Navy, Interior, Agriculture, Commerce, and Labour. In accordance with the provisions of the act, an advisory commission was later organised with Daniel Willard, president of the Baltimore and Ohio Railroad, as chairman. The work of this body became of very great importance. It lay in the direction of developing and mobilising the resources of the nation for war. Through various subordinate committees it brought into the service of the Government many of the leading financiers, business men, and technical experts of the country. It also suggested to the States the organisation of state councils, which rendered valuable service in directing the war activities of every description. Through these organisations thousands of citizens gave their services to the Government without cost.

In order to conserve and increase the food supply for home needs, the armies abroad, and the Allies, the Council of National Defence, created a committee on food supply and prices with Herbert C. Hoover as chairman. He was later made Food Administrator and given very extensive powers under an Act of Congress. In order to encourage the farmers to produce as much wheat as possible and to prevent speculators from holding it, the

Government agreed to purchase for the army and navy and foreign Governments, all that was offered of the crop of 1917 at $2.20 a bushel. The price for the 1918 crop was fixed at $2.00. This fixing of price in advance greatly stimulated production. Meanwhile a general campaign for increased production of all food products and for economy in the use of food was carried on under the slogan "Food will win the war."

In August, 1917, Harry A. Garfield, president of Williams College, was appointed Fuel Administrator, and given extensive powers to regulate the price and distribution of coal. The large consumption of coal in the various war industries and the increased demands of shipping, together with the wage demands of the miners and the difficulties of transportation, rendered prices uncertain and interrupted the normal distribution to such an extent that by December there was a serious coal shortage, and in January, when the weather became unusually severe, the situation grew desperate. It became necessary for a time to close manufacturing plants in order that private homes might be supplied and the bunkers of ships, loaded with supplies for the troops abroad, be filled.

The difficulties which the railroads experienced in handling coal and in forwarding military and naval supplies to the ports led the President in December, 1917, to take over the railroads of the country for the period of the war. On December 27, William G. McAdoo, Secretary of the Treasury, was appointed Director-General of Railroads with full power to operate them. Government management proved expensive, but the object was to move coal, military supplies and troops, and not to make money for the roads. The Government had to make good the losses, but the centralised railroad administration was necessary to win the war.

When the United States entered the war, the general impression in America was that the Allies needed food and munitions more than men, and that the main task would be to supply their needs and use the navy in convoying cargo ships and overcoming the German submarines. General Pershing and the First Division were sent over in June and July, 1917, mainly for the purpose of encouraging the Allies and letting them see that America was really in the war. Before the end of the year, however, came the Austrian victory over the Italians and the Bolshevist revolution in Russia, followed a few months later by the Treaty of Brest-Litovsk. Russia had deserted her Allies, and in March, 1918, Germany was free to concentrate her forces in a great drive on the western front. The German attack on the British lines in the St. Quentin sector was probably the most formidable onslaught in history, and the British were forced to give way. At this critical moment, largely through the influence of President Wilson and Colonel House, General Foch was appointed Commander-in-Chief of the British, French and American armies. The British commander, General Haig, made a noble appeal to his men to hold their positions until French reinforcements could arrive, and Lloyd George appealed to the United States to throw its man-power into the line of battle with all possible speed. He described the struggle as a race between Wilson and Hindenburg. On the 6th of April, the first anniversary of the declaration of war, President Wilson made a notable address at Baltimore, declaring that the situation called for "force, force to the utmost, force without stint or limit." From that time until the Armistice American troops were rushed to France. At the outset transportation was not very rapid, since shipping was far from plentiful; but as former German vessels were pressed into service, embarkations increased at a rate of roughly 50,000 a month. In December, 1917, 49,515 men were transported to France; in March, 1918, 84,889; in May, 245,945; and finally in July the peak was reached when 306,350 soldiers were carried overseas.

THE WAR AIMS OF THE UNITED STATES

The Bolshevist Revolution of November, 1917, had been followed by the peace negotiations with the Central Powers at Brest-Litovsk. The Russian proposals were the evacuation of occupied territories, self-determination for nationalities not hitherto independent, no war indemnities or economic boycotts, and the application of these principles to the settlement of all colonial questions. The Central Powers agreed to a part of this programme, provided the Allies would accept the offer of a general peace. The conference called on the Allies for an answer by January 4. No direct reply was made to this demand, but the Russian proposals had made a profound impression on the labouring classes in all countries, and both Lloyd George and President Wilson felt called on to define more clearly the war aims of the Allies.

In a speech delivered January 5, 1918, Lloyd George made the first comprehensive and authoritative statement of British war aims. He had consulted the labour leaders and Viscount Grey and Mr. Asquith, as well as some of the representatives of the overseas Dominions, and he was speaking, he said, for "the nation and the Empire as a whole." He explained first what the British were not fighting for. He disclaimed any idea of overthrowing the German Government, although he considered military autocracy "a dangerous anachronism"; they were not fighting to destroy Austria-Hungary, but genuine self-government must be granted to "those Austro-Hungarian nationalities who have long desired it"; they were not fighting "to deprive Turkey of its capital or of the rich and renowned lands of Thrace, which are predominantly Turkish in race," but the passage between the Mediterrancan and the Black Sea must be "internationalised and neutralised." The positive statement of aims included the complete restoration of Belgium, the return of Alsace-Lorraine to France, rectification of the Italian boundary, the independence of Poland, the restoration of Serbia, Montenegro and the occupied parts of France, Italy and Rumania, and a disposition of the German colonies with "primary regard to the wishes and interests of the native inhabitants of such colonies." He insisted on reparation for injuries done in violation of international law, but disclaimed a demand for war indemnity. In conclusion he declared the following conditions to be essential to a lasting peace: "First, the sanctity of treaties must be reëstablished; secondly, a territorial settlement must be secured, based on the right of self-determination or the consent of the governed; and lastly, we must seek, by the creation of some international organisation, to limit the burden of armaments and diminish the probability of war."

On January 8, 1918, three days after Lloyd George's speech, President Wilson delivered before the two Houses of Congress the most important of all his addresses on war aims. It contained the famous Fourteen Points, for a summary of which see page 220 of this volume. Between this date and the Armistice the President delivered other addresses in which he elaborated the same principles. Of special significance were his speeches of February 11, July 4 and September 27. In this connection H. W. V. Temperley, in what is so far the most important history of the Peace Conference at Paris, says: "The utterances of President Wilson have a unique significance, not only because they were taken as the legal basis of the Peace negotiations, but because they form a definite and coherent body of political doctrine. This doctrine, though developed and expanded in view of the tremendous changes produced by the war, was not formed or even altered by them. His ideas, like those of no other great statesman of the war, are capable of being

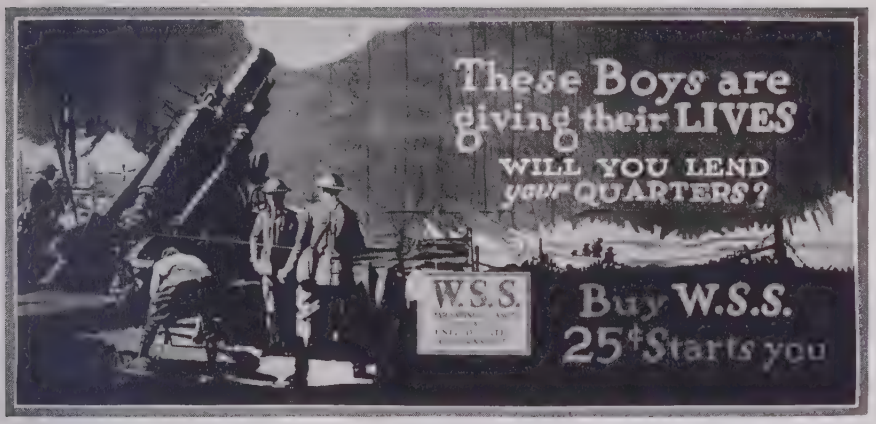
worked out as a complete political philosophy. A peculiar interest, therefore, attaches to his pre-war speeches, for they contain the germs of his political faith and were not influenced by the terrifying portents of to-day. The tenets were in themselves few and simple, but their consequences, when developed by the war, were such as to produce the most far-reaching results. It is not possible or necessary to discuss how far these tenets were accepted by the American people as a whole, for, as the utterances of their legal representative at a supreme moment of world history, they will always retain their value."

It appears now from the published memoirs of German and Austrian statesmen that President Wilson's speeches made a profound impression on the peoples of Central Europe. His utterances in behalf of the oppressed nationalities, not only Belgium, Serbia and Poland, but also the Czechoslovaks and the Yugoslavs, became stronger and more frequent during the spring and summer of 1918, and solidified the opposition to Germany at a critical period of the war. On September 3 he recognised the Czechoslovak National Council as a belligerent Government. This meant the break-up of the Austro-Hungarian Empire, which had not been contemplated at an earlier period, but, as he stated in his reply to the Austrian request for an armistice in October, conditions had changed since the announcement of the Fourteen Points, and these people would no longer be satisfied with mere autonomy.

When the March drive of 1918 was finally checked and the Allied advance began, the German military leaders knew that the game was up, but they did not have the courage to face the facts, for an acknowledgment of defeat meant the overthrow of the old system of government based on military success. They waited in vain for some military advantage which would give them an opportunity to open negotiations without openly acknowledging defeat. Finally the state of demoralisation at Headquarters became so complete that there was no alternative but to ask for an immediate armistice. In order to pave the way for this step, the Ministry resigned October 1, and Prince Max of Baden was called on to form a new Government. On the 4th he dispatched a note to President Wilson through the Swiss Government, requesting him to call a peace conference and stating that the German Government "accepts the programme set forth by the President of the United States in his message to Congress of the 8th of January, 1918, and in his later pronouncements, especially his speech of the 27th September, as a basis for peace negotiations."

In reply the President asked for a clearer understanding on three points: (1) Did the Imperial Chancellor mean that the German Government accepted the terms laid down in the President's addresses referred to, and "that its object in entering into discussion would be only to agree upon the practical details of their application?" (2) The President would not feel at liberty to propose a cessation of arms to the Allied Governments so long as the armies of the Central Powers were upon their soil. (3) The President asked whether the Chancellor was speaking for the constituted authorities of the empire who had so far conducted the war.

The German reply of October 12 was satisfactory on the first point. With respect to the withdrawal of their troops from occupied territory they proposed a mixed commission to arrange the details. On the third point it was stated that the new Government had been formed in agreement with the great majority of the Reichstag. Having accomplished this much, the President's next step was skilfully taken. He replied that the process of evacuation and the conditions of an armistice were matters which must be left to the judgment of the military advisers of the United States and the Allied Governments, but that he would not agree to any arrangement which did not pro-



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A striking war poster designed to advertise the Third Liberty Loan.

CHARACTERISTIC POSTERS USED BY THE AMERICAN GOVERNMENT 1917–1918

vide "absolutely satisfactory safeguards and guarantees of the maintenance of the present military supremacy of the armies of the United States and of the Allies in the field." Referring next to submarine warfare, he declared that the United States and the Allied Governments could not consider an armistice "so long as the armed forces of Germany continue the illegal and inhumane practices which they persist in." In conclusion he referred to a clause contained in his speech of July 4, now accepted by the German Government as one of the conditions of peace, namely, "The destruction of every arbitrary power anywhere that can separately, secretly, and of its single choice disturb the peace of the world." He added: "The power which has hitherto controlled the German nation is of the sort here described. It is within the choice of the German nation to alter it." He demanded that the United States and the Allied Governments "should know beyond a peradventure" with whom they were dealing. To a peace-note received from Austria-Hungary, he sent a separate reply on October 18.

In reply the Chancellor assured the President that a bill had been introduced in the Reichstag to alter the Constitution of the empire so as to give the representatives of the people the right to decide for war or peace, but the President was not satisfied that there had been any real change. "It may be that future wars have been brought under the control of the German people, but the present war has not been; and it is with the present war that we are dealing." He was not willing to accept any armistice which did not make a renewal of hostilities on the part of Germany impossible. If, he concluded, the United States "must deal with the military masters and the monarchical autocrats of Germany now, or if it is likely to have to deal with them later in regard to the international obligations of the German Empire, it must demand not peace negotiations but surrender. Nothing can be gained by leaving this essential thing unsaid." This note was written October 23. Four days later the Chancellor replied: "The President knows the deep-rooted changes which have taken place and are still taking place in German constitutional life. The peace negotiations will be conducted by a People's Government, in whose hands the decisive legal power rests in accordance with the Constitution, and to which the Military Power will also be subjects. The German Government now awaits the proposals for an armistice which will introduce a peace of justice such as the President in his manifestations has described."

The terms of the armistice were drawn up by the Interallied Council at Versailles and completed by November 5. They were much more severe than the public had expected them to be. Germany was required immediately to evacuate Belgium, France, Alsace-Lorraine, and Luxemburg; to withdraw her armies from the entire territory on the left bank of the Rhine, and from Russia, Austria-Hungary, Rumania, and Turkey; she was to surrender enormous quantities of heavy artillery and airplanes, all her submarines, and most of her battleships, cruisers and destroyers. This was practically unconditional surrender. Contrary to general belief at the time, it is now known that Foch and Haig considered these terms too severe and feared that Germany would not accept them. They wanted an armistice that Germany would accept. General Bliss, on the other hand, wanted to demand "the complete disarmament and demobilisation of the military and naval forces of the enemy." In America there was much criticism of the President for being willing to negotiate with Germany at all. "On to Berlin" was a popular cry, and it was thought that the President was preventing a complete military triumph. On October 10 Senator Lodge declared in the Senate: "The Republican party stands for unconditional surrender and complete victory, just as Grant stood. My own belief is that the American people mean to

have an unconditional surrender. They mean to have a dictated, not a negotiated peace."

After reviewing the armistice negotiations André Tardieu, a member of the French Cabinet and delegate to the Peace Conference, says: "What remains of the fiction, believed by so many, of an armistice secretly determined upon by an American dictator; submitted to by the European Governments; imposed by their weakness upon the victorious armies, despite the opposition of the generals? The Armistice was discussed in the open light of day. President Wilson only consented to communicate it to his associates on the triple condition that its principle be approved by the military authorities and its clauses drawn up directly by them; that it be imposed upon the enemy and not discussed with him; that it be such as to prevent all resumption of hostilities and assure the submission of the vanquished to the terms of peace."

The terms of the Armistice were delivered to the Germans by Marshal Foch November 7, the Kaiser abdicated and fled across the border into Holland on the 9th, and the document was signed and went into effect on the 11th. In two particulars the Wilson principles had been modified by the Allies. In the American note to Germany of November 5 Secretary Lansing stated that the President had submitted his correspondence with the German authorities to the Allied Governments and that he had received in reply the following memorandum: "The Allied Governments have given careful consideration to the correspondence which has passed between the President of the United States and the German Government. Subject to the qualifications which follow, they declare their willingness to make peace with the Government of Germany on the terms of peace laid down in the President's Address to Congress of January 8, 1918, and the principles of settlement enunciated in his subsequent Addresses. They must point out, however, that Clause 2, relating to what is usually described as the freedom of the seas, is open to various interpretations, some of which they could not accept. They must therefore reserve to themselves complete freedom on this subject when they enter the Peace Conference. Further, in the conditions of peace laid down in his Address to Congress of January 8, 1918, the President declared that the invaded territories must be restored as well as evacuated and freed, and the Allied Governments feel that no doubt ought to be allowed to exist as to what this provision implies. By it they understand that compensation will be made by Germany for all damage done to the civilian population of the Allies and their property by the aggression of Germany by land, by sea, and from the air." In transmitting this memorandum Secretary Lansing stated that he was instructed by the President to say that he agreed with this interpretation.

With these modifications the Wilson principles were accepted by all parties as the legal basis of the peace negotiations.

THE PRESIDENT AT THE PEACE CONFERENCE

It was agreed that the Peace Conference should meet at Paris, and President Wilson considered the issues involved of such magnitude that he decided to head the American delegation himself. Great Britain, France and Italy were to be represented by their Premiers, and it was fitting that the United States should be represented by its most responsible leader, who, furthermore, had been the chief spokesman of the Allies and had formulated the principles upon which the peace was to be made. But the decision of the President to go to Paris was without precedent in American history and, therefore, met

with criticism and opposition. When he announced the names of the other members of the delegation, the criticism became even more severe. They were Secretary of State Lansing, Henry White, former ambassador to France, Colonel Edward M. House, and General Tasker H. Bliss. There had been a widespread demand for a non-partisan peace commission, and many people thought that the President should have taken Root, or Roosevelt, or Taft. Mr. White was a Republican, but he had never been active in party affairs or in any sense a leader. In the Senate there was deep resentment that the President had not selected any members of that body to accompany him. President McKinley had appointed three senators as members of the commission of five that negotiated the Treaty of Peace at the close of the Spanish War. With that exception, senators had never taken part in the negotiation of a treaty. President Wilson was attended by a large group of experts on military, economic, geographical, ethnological and legal matters, some of whom were men of great ability, and in their selection no party lines were drawn.

But just before the signing of the Armistice, the President had suffered a serious political defeat at home. There had been severe criticisms of Democratic leadership in Congress and growing dissatisfaction with some of the members of the Cabinet. In response to the appeals of Democratic Congressmen, the President issued a statement from the White House on October 25, asking the people, if they approved of his leadership and wished him to continue to be their "unembarrassed spokesman in affairs at home and abroad," to vote for the Democratic candidates for Congress. He acknowledged that the Republicans in Congress had loyally supported his war measures, but he declared that they were hostile to the Administration and that the time was too critical for divided leadership. The statement created a storm of criticism, and did more than any other act in his administration to turn the tide of public opinion against the President. The elections resulted in a Republican majority of thirty-nine in the House and two in the Senate. The President had followed the practice of European Premiers in appealing to the people, but under the American constitutional system he could not very well resign. Had he not issued his appeal, the election would have been regarded as a repudiation of the Democratic Congress, but not necessarily as a repudiation of the President. The situation was most unfortunate, but the President made no comments and soon after announced his intention of going to Paris. In December Lloyd George went to the country, and on pledging himself to make Germany pay for the war and to punish the Kaiser, was returned by a substantial majority. These pledges were unnecessary and had a most unfortunate influence on the subsequent negotiations at Paris.

The President sailed for France December 4, leaving a divided country behind him. His enemies promptly seized the opportunity to assail him. Senator Sherman of Illinois introduced a resolution declaring the presidency vacant because the President had left the territory of the United States, and Senator Knox of Pennsylvania offered another resolution declaring that the Conference should confine itself solely to the restoration of peace, and that the proposed league of nations should be reserved for consideration at some future time.

While his enemies in the Senate were busily organising all the forces of opposition against him, the President was welcomed by the war-weary peoples of Europe with demonstrations of genuine enthusiasm such as had been the lot of few men in history to receive. Sovereigns and heads of States bestowed the highest honours upon him, while great crowds of working-men gathered at the railroad stations in order to get a glimpse of the man who had led

the crusade for a peace that would end war and establish justice as the rule of conduct between the nations of the world, great and small alike.

No mortal man could have fulfilled the hopes and expectations that centred in Wilson when he landed on the shores of France in December, 1918. The Armistice had been signed on the basis of his ideals, and the peoples of Europe confidently expected to see those ideals embodied in the Treaty of Peace. He still held the moral leadership of the world, but the war was over, the German menace ended, and national rivalries and jealousies were beginning to reappear, even among those nations who had so recently fought and bled side by side. This change was to be revealed when the Conference met. There was no sign of it in the plaudits of the multitudes who welcomed the President in France, in England, and in Italy. He returned on January 7, 1919, from Italy to Paris, where delegates to the Conference from all the countries which had been at war with Germany were gathering.

THE LEAGUE OF NATIONS COVENANT

At a plenary session of the Conference January 25, 1919, President Wilson made a notable speech in which he proposed the creation of a League of Nations, and a commission under his chairmanship was appointed to draft a constitution for the League. On February 14 the first draft of the Covenant of the League was presented by him to the Conference, and on the following day he sailed for the United States in order to consider the bills passed by Congress before the expiration of the session on March 4. The first draft of the Covenant was hastily prepared, and it went back to the commission for revision. As soon as the text was made known in the United States, opposition to the Covenant was expressed in the Senate. During the President's brief visit to Washington, he gave a dinner at the White House to members of the Senate Committee on Foreign Relations and of the House Committee on Foreign Affairs for the purpose of explaining to them the terms of the Covenant. There was no official report of what occurred at this dinner, but it was stated that some of the senators objected to the Covenant on the ground that it was contrary to the traditional policies and inconsistent with the Constitution and form of government. On March 4, the day before the President left New York to resume his duties at the Conference, Senators Lodge and Knox issued a round robin, signed by thirty-seven senators, declaring that they would not vote for the Covenant in the form proposed, and that consideration of the League of Nations should be postponed until peace had been concluded with Germany. That same night, the President made a speech at the Metropolitan Opera House in New York City in which, after explaining and defining the Covenant, he said: "When that treaty comes back, gentlemen on this side will find the Covenant not only in it, but so many threads of the treaty tied to the Covenant that you cannot dissect the Covenant from the treaty without destroying the whole structure." In this same address he also said: "The first thing I am going to tell the people on the other side of the water is that an overwhelming majority of the American people is in favor of the League of Nations. I know that this is true. I have had unmistakable intimations of it from all parts of the country, and the voice rings true in every case." The President was evidently quite confident that public sentiment would compel the Senate to ratify the Peace Treaty, including the Covenant of the League. A nation-wide propaganda was being carried on by the League to Enforce Peace and other organisations, and public sentiment for the League appeared to be overwhelming. The President took back to Paris

with him various suggestions of changes in the Covenant, and later ex-President Taft, Elihu Root, and Charles E. Hughes proposed amendments which were forwarded to him and carefully considered by the commission. Some of these suggestions, such as the reservation of the Monroe Doctrine and the right of withdrawal from the League, were embodied in the final draft.

When the President returned to Paris he found that Secretary Lansing and Colonel House had consented to the separation of the League from the Treaty of Peace. He immediately reversed this decision, but the final adoption of the Covenant was delayed by the demand of Japan that a clause be inserted establishing "the principle of equality of nations and just treatment of their nationals," which would have brought within the jurisdiction of the League the status of Japan's subjects in California and in the British dominions. France urged the inclusion of a provision creating a permanent General Staff to direct the military operations of the League, and Belgium insisted that Brussels rather than Geneva should be the seat of the League. Meanwhile other national aspirations were also brought forward which delayed the general Treaty of Peace. France wanted the entire left bank of the Rhine; Italy put forth a claim to Fiume; and Japan, relying on secret agreements with England, France and Italy, insisted on her claims to Shantung. No economic settlement had as yet been agreed upon, and the question of reparations was threatening the disruption of the Conference.

The most difficult problem that the Conference had to solve was the establishment of a new Franco-German frontier. The French argument for the military occupation of the Left Bank was set forth again and again at length and with great skill. The fact was pointed out that the destruction of the German fleet had relieved England from all fear of German invasion, and that the Atlantic Ocean lay between Germany and the United States, while France, which had suffered two German invasions in half a century, had no safeguard but the League of Nations, which she did not deem as good a guarantee as the Rhine bridges. Finally Wilson and Lloyd George offered the guarantee treaties, and Clemenceau agreed to take the proposal under consideration. Three days later he came back with a counter-proposition and a compromise was reached. France gave up her demand for a separate Rhineland, but secured occupation of the Left Bank, including the bridge-heads, for a period of fifteen years as a guarantee of the execution of the treaty. In return the United States and Great Britain pledged themselves to come to the immediate aid of France, in case of an unprovoked attack, by an agreement which was to be binding only if ratified by both countries.

On most of the questions that were hotly contested compromises of a more or less unsatisfactory character were finally adopted. It was charged that President Wilson had agreed to these compromises in order to save the Covenant of the League and that the treaty as a whole was bad. On May 7 the completed treaty was presented to the German delegates who had been summoned to Versailles to receive it. When the text was made public in Berlin there was an indignant outcry against the alleged injustice of certain provisions which were held to be inconsistent with the pledges given by President Wilson in the pre-Armistice negotiations, and the Germans made repeated efforts to draw the Allies into a general discussion of principles. They were, however, finally given to understand that they must accept or reject the treaty as it stood, and on June 28 it was signed in the Hall of Mirrors at Versailles — the same hall in which William I had been crowned Emperor of Germany forty-eight years before. Probably history can show no greater reversal of fortune than when in the palace of France's former kings that scene was staged in which the conquerors of but one generation before now became the delegates of a broken and humiliated nation.

THE TREATY BEFORE THE SENATE

The day after the treaty was signed President Wilson sailed for the United States, and on July 10 personally presented the treaty to the Senate with an earnest appeal for prompt ratification. The Committee on Foreign Relations, to which the treaty was referred, proceeded with great deliberation, and on July 31 began a series of public hearings which lasted until September 12. The Committee called before it Secretary Lansing and several of the technical advisers to the American delegation, including B. M. Baruch, economic adviser, Norman H. Davis, financial adviser, and David Hunter Miller, legal adviser. The Committee also called before it a number of American citizens who had had no official connection with the negotiations but who wished to speak in behalf of foreign groups, including Thomas F. Millard for China, Joseph W. Folk for Egypt, Dudley Field Malone for India, and a large delegation of Americans of Irish descent, who opposed the League of Nations on the ground that it would stand in the way of Ireland's aspiration for independence. The rival claims of Yugoslavs and Italians to Fiume, the demand of Albania for self-determination, the claims of Greece to Thrace, and arguments for and against the separation of Austria and Hungary were all presented at great length to the Committee. On August 19 the President received the Committee at the White House, and after submitting a written statement on certain features of the Covenant, he was questioned by members of the Committee and a general discussion followed.

Meanwhile, the treaty was being openly debated in the Senate. The President had been an advocate of publicity in diplomacy as well as in other things, and the Senate now undertook to use his own weapon against him by a public attack on the treaty. Although the opposition to the treaty was started in the Senate by Lodge, Borah, Johnson, Sherman, Reed and Poindexter, it was not confined to that body. Throughout the country there were persons of liberal views who favoured the League of Nations but objected to the severe terms imposed on Germany, and charged the President with having proved false to the principles of the Fourteen Points. There were others who did not object to a severe peace, but who were bound fast by the tradition of isolation and thought membership in the League of Nations would involve the sacrifice of national sovereignty. The main object of attack was Article X, which guaranteed the territorial integrity and political independence of all the members of the League. President Wilson stated to the Senate Committee that he regarded Article X as "the very backbone of the whole Covenant," and that "without it the League would be hardly more than an influential debating society." The opponents of the League declared that this article would embroil the United States in the internal affairs of Europe, and that it deprived Congress of its constitutional right to declare war.

In the Senate there were three groups: the small number of "irreconcilables" who opposed the ratification of the treaty in any form; a larger group who favoured ratification without amendments, but who finally expressed their willingness to accept "interpretative reservations"; and a large group composed mainly of Republicans who favoured the ratification of the treaty only on condition that there should be attached to it reservations safeguarding what they declared to be the fundamental rights and interests of the United States. This group differed among themselves as to the character of the reservations that were necessary, and some of them became known as "mild reservationists."

It is probable that at the outset only the small group of "irreconcilables" hoped or intended to bring about the defeat of the treaty, but as the debate proceeded and the opposition to the treaty received more and more popular support, the reservationists determined to defeat the treaty altogether rather than to accept any compromise. The Republican leaders were quick to realise that the tide of public opinion had turned and was now running strongly against the President. They determined, therefore, to ruin him at all hazards, and thus to bring about the election of a Republican president.

When President Wilson realised that the treaty was really in danger of defeat, he determined to go on an extended tour of the country for the purpose of explaining the treaty to the people and bringing pressure to bear on the Senate. Beginning at Columbus, Ohio, on September 4, he proceeded through the northern tier of states to the Pacific coast, then visited California and returned through Colorado. He addressed large audiences who received him with great enthusiasm. He was "trailed" by Senator Hiram Johnson, who was sent out by the opposition in the Senate to present the other side. Johnson also attracted large crowds. On the return trip, while delivering an address at Wichita, Kansas, September 26, the President showed signs of a nervous breakdown and returned immediately to Washington. He was able to walk from the train to his automobile, but a few days later he was partially paralysed. The full extent and seriousness of his illness was carefully concealed from the public. He was confined to the White House for five months, and had to abandon all efforts in behalf of the treaty.

On September 10 the Committee on Foreign Relations reported the treaty to the Senate with a number of amendments and reservations. The Committee declared that the League was an alliance, and that it would "breed wars instead of securing peace." They also declared that the Covenant demanded "sacrifices of American independence and sovereignty which would in no way promote the world's peace," and that the amendments and reservations which they proposed were intended "to guard American rights and American sovereignty." The following day the minority members of the Committee submitted a report opposing both amendments and reservations. A few days later Senator McCumber presented a third report representing the views of the "mild reservationists." It objected to the phraseology of the Committee's reservations as unnecessarily severe and recommended substitute reservations. The treaty then became the regular order in the Senate and was read section by section and debated each day for over two months. The amendments of the text of the treaty were all rejected by substantial majorities for the reason that their adoption would have made it necessary to resubmit the treaty not only to the Allies but also to Germany. The majority of the senators were opposed to such a course. The Committee, therefore, decided to substitute reservations for amendments, and Senator Lodge finally submitted, on behalf of the Committee, fourteen reservations preceded by a preamble, which declared that the ratification of the treaty was not to take effect or bind the United States until these reservations had been accepted as a condition of ratification by at least three of the four principal Allied and Associated Powers, namely, Great Britain, France, Italy and Japan.

The most important of the Lodge Reservations were those declaring that the United States assumed no obligations under Article X and forbidding the use of the military or naval forces of the United States under any article of the treaty without the consent of Congress, excluding domestic questions from consideration by the League, reserving from the jurisdiction of the League the Monroe Doctrine and the exclusive right to interpret it, withholding the consent of the United States from the provisions of the treaty

recognising Japan's claims to the province of Shantung; requiring the confirmation by the Senate of all delegates from the United States to the League, and declaring that the United States would not be bound by any action of the Council or Assembly in which any member and its self-governing dominions cast in the aggregate more than one vote. The Lodge reservations were adopted *seriatim* by small majorities. A number of other reservations were offered and rejected. Under the rules of the Senate, amendments and reservations to a treaty may be adopted by a majority vote, while a treaty can be ratified only by a two-thirds vote. A number of senators who were opposed to the treaty voted for the Lodge reservations in order to insure its defeat. When the vote on the treaty with the reservations was taken November 19, it stood 39 for and 55 against. A motion to reconsider the vote was then adopted, and Senator Hitchcock, the Democratic leader, proposed five reservations covering the right of withdrawal, domestic questions, the Monroe Doctrine, the right of Congress to decide on the employment of the naval and military forces of the United States in any case arising under Article X, and restrictions on the voting powers of self-governing colonies or dominions. These reservations were rejected, the vote being 41 to 50. Another vote was then taken on the treaty with the Lodge reservations, the result being 41 for and 51 against. Senator Underwood then offered a resolution to ratify the treaty without reservations of any kind. The vote on this resolution was 38 for and 53 against.

It was now evident that there was little prospect of securing the ratification of the treaty without compromise. On January 8, 1920, a letter from the President was read at the Jackson Day dinner in Washington, in which he refused to accept the decision of the Senate as final and said: "There can be no reasonable objection to interpretations accompanying the act of ratification itself. But when the treaty is acted upon, I must know whether it means that we have ratified or rejected it. We cannot rewrite this treaty. We must take it without changes which alter its meaning, or leave it, and then, after the rest of the world has signed it, we must face the unthinkable task of making another and separate kind of treaty with Germany." In conclusion he declared: "If there is any doubt as to what the people of the country think on this vital matter, the clear and single way out is to submit it for determination at the next election to the voters of the nation, to give the next election the form of a great and solemn referendum, a referendum as to the part the United States is to play in completing the settlements of the war and in the prevention in the future of such outrages as Germany attempted to perpetrate."

During the last week of January a compromise was discussed by an informal by-partisan committee, and the President wrote a letter saying he would accept the Hitchcock reservations, but Lodge refused to accept them. On February 9 the Senate again referred the treaty to the Committee on Foreign Relations with instructions to report it back immediately with the reservations previously adopted. After several weeks of fruitless debate a fifteenth reservation, expressing sympathy for Ireland, was added to the others, by a vote of 38 to 36. It was as follows: "In consenting to the ratification of the treaty with Germany the United States adheres to the principle of self-determination and to the resolution of sympathy with the aspirations of the Irish people for a government of their own choice adopted by the Senate June 6, 1919, and declares that when such government is obtained by Ireland, a consummation which it is hoped is at hand, it should promptly be admitted as a member of the League of Nations."

With a few changes in the resolutions previously adopted and an unimportant change in the preamble, the ratifying resolution was finally put

to the vote March 19, 1920. The result was 49 votes for and 35 against, less than the required two-thirds. On the following day the secretary of the Senate was instructed by a formal resolution to return the treaty to the President and to inform him that the Senate had failed to ratify it.

THE CLOSE OF THE WILSON ADMINISTRATION

By his Jackson Day letter President Wilson had made the treaty the leading issue in the presidential campaign, but unfortunately it was not the only issue. The election proved to be a referendum on the Wilson administration as a whole rather than the treaty. The Republican Convention met in Chicago June 8. The leading candidates for the nomination were General Leonard Wood, Governor Lowden of Illinois, and Senator Johnson of California. As so often happens, there were so many combinations against the leading candidates that no one of them could win the nomination, and on the tenth ballot Senator Warren G. Harding of Ohio was nominated. Governor Calvin Coolidge of Massachusetts was named for Vice-President.

The Democratic Convention met in San Francisco June 28. It had been generally supposed that William G. McAdoo, the President's son-in-law, would be the nominee, but Mr. McAdoo did not push his candidacy, and Governor James M. Cox of Ohio was finally chosen, with Franklin D. Roosevelt of New York as candidate for Vice-President. In the campaign that followed Harding attacked the Wilson administration for its arbitrary and unconstitutional methods and advocated a return to "normalcy." He opposed the Wilson League, but said he favoured an association of nations and an international court. Cox spent the earlier weeks of the campaign trying to prove that the Republicans were raising a huge fund with which to buy the presidency, but as the campaign progressed he gave more attention to the treaty. The election resulted in an overwhelming victory for Harding. He received 404 electoral votes to Cox's 127, and a popular plurality of about seven million votes.

The President had been too ill to take any part in the campaign. His administration had been the chief issue, and the people had for the time being repudiated it. He accepted the result philosophically, content to leave the part he had played in the great world crisis to the verdict of history. After the rejection of the treaty he had withdrawn largely from European affairs, and after the election he let it be known that he would do nothing which might embarrass the new administration in its handling of foreign affairs. The opposition to him in the election had been so overwhelming that a reaction was not surprising, and before he turned the office over to his successor there were evidences of a greater appreciation of his services both at home and abroad. In December, 1920, he was awarded the Nobel Peace Prize.

Two amendments to the Constitution of the United States were adopted during Wilson's second administration, the ratification in both cases being urged by the President and hastened by war conditions. The Eighteenth Amendment, prohibiting the manufacture, sale or transportation of intoxicating liquors for beverage purposes within the jurisdiction of the United States, was proposed by Congress December 18, 1917, and, after ratification by three-fourths of the States, was proclaimed January 29, 1919. The National Prohibition Act, commonly known as the Volstead Act, was vetoed by President Wilson, but passed over his veto October 28, 1919. This law, in the opinion of many, went much further than the Amendment warranted in its definition of intoxicating liquors. It placed under the ban all liquors

with an alcoholic content of more than one half of one per cent. The Supreme Court, however, held that Congress had the right to define the term intoxicating liquors, and it declared the law constitutional.

The Nineteenth Amendment, extending the suffrage to women, was proposed by Congress in June, 1919, and, after ratification by three-fourths of the States, was proclaimed as part of the Constitution August 26, 1920, in time for women to vote in the presidential and congressional elections in November.

One of the most important laws passed by Congress between the close of the war and the end of the Wilson administration was the Esch-Cummins Act of February, 1920, providing for the return of the railroads to the operating control of the owning companies. But the new law went much further than that and gave the Interstate Commerce Commission far greater powers than it had before. The original Act of 1887 gave the Commission the power to prevent discrimination. The new law gave it the power to fix rates on the basis of a fair return upon the value of the railroad properties. For the first two years the fair rate of return was to be five and a half per cent, with an extra half of one per cent (six in all) to make provision for improvements chargeable to capital accounts. The rate fixed was to apply to all the railroads, or to all in territorial groups, three of which were later established by the Commission, the Eastern, the Western and the Southern. The act afforded no relief for railroads earning less than six per cent, while those earning more than six per cent were required to pay half the excess to the Government. The amounts so paid are to be held by the Government as a reserve fund with which to assist the weak roads by loans. The Interstate Commerce Commission was further directed by the act to prepare and put in effect a plan for the consolidation of the railroads of the Country into a limited number of systems. The act also created a Railroad Labour Board to pass upon questions relating to wages.

INAUGURATION OF HARDING AND WITHDRAWAL FROM EUROPEAN AFFAIRS

Harding was inaugurated March 4, 1921, with very simple ceremonies. After taking the oath of office, he attended an executive session of the Senate and personally announced his Cabinet appointments. Charles E. Hughes, Secretary of State, and Herbert Hoover, Secretary of Commerce, were men in whom the country had the greatest confidence, and Andrew W. Mellon, the new Secretary of the Treasury, although not well known at the time, was soon to win the public confidence and respect in a marked degree.

With a Republican majority of 150 in the House and 22 in the Senate the path of the new Administration appeared smooth enough, but large legislative majorities are not easily managed, and few Congresses in the history of the country have accomplished less in the way of constructive legislation than the one that was convened by President Harding shortly after his inauguration. The President believed that he had received, by an unprecedented popular majority, a great mandate from the people, but he was not quite certain what it was. In fact, the campaign had been based on criticism of the party in power rather than on a constructive programme. All the dissatisfied elements in the country, and they were many and diverse, had voted the Republican ticket. Of one thing the new President became convinced, whether rightly or wrongly, and that was that the American people had overwhelmingly repudiated the idealism of Woodrow Wilson. He decided, therefore, to withdraw from all active participation in European affairs, but as this purpose proved impracticable, Secretary Hughes soon

instituted the system of sending American representatives to sit as "observers" at the sessions of European conferences and commissions.

Following the war there had been a slump not only in idealism, but a slump in industry, a slump in commerce, and a slump in agriculture. In January, 1921, the Department of Labour announced that there were 3,473,000 unemployed, and by August the figure had mounted to 5,735,000. The expansion in foreign commerce that it had been predicted would follow the war had failed to materialise, and the merchant marine that had been built at such great expense during the war was now costing the country millions of dollars annually and driving the Shipping Board into drastic efforts to sell or lease ships at whatever terms were offered. The Board was reorganised by President Harding, who appointed Albert D. Lasker chairman. The President was determined to keep the American flag on the seas, and soon urged upon Congress the granting of a ship subsidy. The slump in agriculture extended to both the cotton and wheat sections. The crops of 1920 had been planted and gathered at the highest wages known in the history of agriculture, and had to be sold at prices lower than any known since the beginning of the European war in 1914. The farmers complained that the laws of the country were framed in the interest of the manufacturing, financial and commercial classes, and they were determined to force from the Administration some consideration of their claims. As a result there appeared in Congress for the first time an agricultural *bloc*, having as its leaders Senators Capper of Kansas, Kenyon of Iowa, and LaFollette of Wisconsin.

One of the most surprising and fantastic expressions of the social unrest following the war was the revival and rapid spread of the Ku Klux Klan. It adopted the name, ritual, costume and methods of the Klan of Reconstruction days, but its aims were more closely allied to those of the old Know-Nothing party of the 'fifties. It was avowedly hostile to Roman Catholics, Jews, negroes, pacifists and Bolshevists. It was organised in the Southern States with headquarters in Atlanta, and notwithstanding the exposure of its financial operations by the *New York Times* in 1921 and the ridicule that was heaped by the Press upon it generally, it continued to survive in the South and spread rapidly through the Northern States, even into remote country districts of New England, where the Know-Nothing party had been strong. In some States, notably Texas and Oregon, it entered actively into politics with a considerable measure of success. In 1923 the indications were that the Klan was not so strong in the Southern States east of the Mississippi, but that it was gaining ground in Ohio, Indiana and Illinois.

In May, 1921, Congress passed an act limiting immigration in order to prevent the country from being flooded with refugees from the disorderly and debt-burdened countries of Europe. The act provided "that the number of aliens of any nationality who may be admitted under the immigration laws to the United States in any fiscal year shall be limited to three per centum of the number of foreign-born persons of such nationality resident in the United States as determined by the census of 1910." Another measure of importance was the Act of June 9, 1921, establishing a national budget. This measure had been advocated for years by political reformers, and a budget bill had been passed by Congress during the administration of President Wilson, but he objected to certain features of the bill and vetoed it.

During the presidential campaign Harding's position on the League of Nations had been so equivocal that the public knew not what to expect, but when Hughes and Hoover were appointed members of the Cabinet, it was generally expected that the new Administration would go into the League with reservations. This expectation was not to be fulfilled, however, for the President persistently ignored the existence of the League, and took no

notice of the establishment of the permanent Court of International Justice provided for in Article XIV of the Covenant, notwithstanding the fact that the United States had first advocated such a court, that Elihu Root had helped to draft the statute creating the court, and that an American, John Bassett Moore, had been elected one of the judges.

Meanwhile a technical state of war with Germany existed and American troops were still on the Rhine. On July 2, 1921, the President signed a joint resolution of Congress declaring the war at an end, but undertaking to reserve to the United States "all rights, privileges, indemnities, reparations or advantages" to which it was entitled under the terms of the Armistice, or by reason of its participation in the war, or which had been stipulated for its benefit in the Treaty of Versailles, or to which it was entitled as one of the Principal Allied and Associated Powers, or to which it was entitled by virtue of any act or acts of Congress. On August 25 the United States Government, through its commissioner to Germany, signed at Berlin a separate treaty of peace with Germany, reserving in detail the rights referred to in the joint resolution of Congress. About the same time a similar treaty was signed with Austria, and the two treaties were ratified by the Senate of the United States October 18. The proclamation of peace produced no immediate results of any importance. American troops continued on the Rhine, and there was no apparent increase in trade, which had been carried on before the signing of the treaty under special licences.

THE WASHINGTON CONFERENCE

Prior to his inauguration Harding gave no indication of any intention of making the limitation of armaments an administrative policy. In fact, he repeatedly declared that the United States must have a navy "second to none." But there developed throughout the country a strong sentiment against large naval and military expenditures. Both General Pershing and General Bliss declared that the time had come for some reduction, and the army was cut down to 175,000 men by Act of Congress. In response to the general sentiment, Senator Borah introduced a resolution authorising the President to call a conference between Great Britain, Japan and the United States to consider the question of naval reduction. Later he succeeded in putting through an amendment to the Naval Appropriation Bill directing the President to call such a conference. The administration at first opposed the amendment, but suddenly consented to its passage, and on August 11, 1921, issued formal invitations to Great Britain, France, Italy and Japan to a conference to be held at Washington November 11. One of the main objects of the conference was the settlement of a number of questions that had arisen as a result of Japan's activity during the World War. The invitation, therefore, linked the subject of Limitation of Armament with Pacific and Far-Eastern questions. On the latter question Belgium, the Netherlands, Portugal and China were invited to confer with the other Powers. The question of the continuance of the Anglo-Japanese Alliance was also involved. This subject had been discussed at the British Imperial Conference, which met at London in the early summer, and it became known that the overseas Dominions, particularly Australia and New Zealand, were strongly opposed to a renewal of the alliance with Japan.

The Washington Conference convened in plenary session November 12, 1921, in Memorial Continental Hall. The question of open diplomacy, which had been much discussed, was settled at the first session by Secretary Hughes, who, in his introductory speech, boldly laid the American proposals for the



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The "Sussex," torpedoed by the German submarine UB-18, March 24, 1916, on her way from Folkestone to Dieppe, with twenty-five American citizens on board. Eighty passengers were killed or injured. The sinking of this ship brought about a crisis in the relations between the United States and Germany.

limitations of navies before the Conference. He proposed (1) that all programmes for the construction of capital ships, either actual or projected, be abandoned; (2) that a large number of battleships of older types still in commission be scrapped; and (3) that the allowance of auxiliary combatant craft, such as cruisers, destroyers, submarines and airplane carriers, be in proportion to the tonnage of capital ships. These proposals, it was claimed, would leave the Powers under consideration in the same relative positions. Under this plan the United States would be allowed 500,000 tons of capital ships, Great Britain 500,000 tons, and Japan 300,000 tons.

Japan objected to the 5-5-3 ratio proposed by Secretary Hughes, and urged a 10-10-7 ratio as more in accord with existing strength. The American proposal included the scrapping of the "Mutsu," the pride of the Japanese navy, which had been launched but not quite completed. The sacrifices voluntarily proposed by the United States for its navy were much greater than those which England or Japan were called upon to make, and in this lay the strength of the American position. The Japanese refused, however, to give up the "Mutsu," and they were finally permitted to retain it, but in order to preserve the 5-5-3 ratio, it was necessary to increase the tonnage allowance of the United States and Great Britain. In the treaty as finally agreed upon, Japan was allowed 315,000 tons of capital ships and the United States and Great Britain each 525,000 tons.

In presenting his proposals at the opening session, Mr. Hughes had said that the tonnage allowance of France and Italy would be considered later. When, after the agreement on the 5-5-3 ratio, the question of the allowance of the capital ship tonnage for France and Italy was taken up in committee, the other powers were wholly unprepared for France's demand of 350,000 tons of capital ships. According to Hughes's figures based on existing strength, she was entitled to 175,000 tons. It is not probable that the French delegates intended to insist on such a large tonnage. It is more likely that they put forth this proposal in the committee in order to give the other delegates to understand that France could not be ignored or dictated to with impunity and in order to pave the way for their submarine proposal. Unfortunately the French demands were given to the Press through some misunderstanding and caused an outburst of criticism in the British and American papers. In the committee the relations between the British and French delegates became very bitter over the refusal of the latter to abandon the submarine, or even agree to a moderate proposal as to submarine tonnage. On December 16 Secretary Hughes cabled an appeal, over the heads of the French delegation, to Briand, who had returned to Paris. As a result, the French finally agreed to accept the 1.75 ratio for capital ships, but refused to place any reasonable limits upon cruisers, destroyers, submarines or aircraft. Italy accepted the same ratio as France. Thus an important part of the Hughes programme failed. As a result, the treaty leaves the contracting parties free to direct their energies, if they so desire, to the comparatively new fields of submarine and aerial warfare.

By Article XIX of the naval treaty the United States, Great Britain and Japan agreed to maintain the *status quo* as regards fortifications and naval bases in the islands of the Pacific, with certain exceptions, notably the Hawaiian Islands, Australia, and New Zealand.

The French insistence on the practically unlimited right to build submarines caused much hard feeling in England. The British delegates had proposed the total abolition of submarines, and this proposal had been ably supported by the arguments of Mr. Balfour and Lord Lee. Unfortunately the United States delegation stood for the submarine, proposing merely certain limits upon its use. The five naval Powers finally signed a treaty re-

affirming the old rules of international law in regard to the search and seizure of merchant vessels, and declaring that "any person in the service of any Power who shall violate any of these rules, whether or not such person is under orders of a governmental superior, shall be deemed to have violated the laws of war and shall be liable to trial and punishment as if for an act of piracy and may be brought to trial before the civil or military authorities of any Power within the jurisdiction of which he may be found." By the same treaty the signatory Powers solemnly bound themselves to prohibit the use in war of poisonous gases.

The committee on Pacific and Far-Eastern questions held its first meeting November 16. It was commonly supposed that the United States delegation had prepared a programme on the Far-Eastern Question, and that this would be presented in the same way that Hughes had presented the naval programme. If this was the intention there was a sudden change of plan, for between one and two o'clock at night the Chinese delegates were aroused from their slumbers and informed that there would be an opportunity for them to present China's case before the committee at eleven o'clock that morning. They at once went to work with their advisers, and a few minutes before the appointed hour they completed the drafting of the Ten Points, which Minister Sze read before the committee. These Points constituted a Chinese declaration of independence, and set forth a series of general principles to be applied in the determination of questions relating to China. Several days later the committee adopted four resolutions, presented by Mr. Root, covering in part some of the Chinese principles. By these resolutions the Powers agreed to respect the independence and territorial integrity of China, to give China the fullest opportunity to develop and maintain an effective and stable government, to recognise the principles of equality for the commerce and industry of all nations throughout the territory of China, and to refrain from taking advantage of present conditions in order to seek special rights or privileges. This somewhat vague and general declaration of principles appeared to be all that China was likely to get. Had Mr. Hughes presented a Far-Eastern programme and obtained nothing more than this, it would have been a serious blow to the prestige of the United States. That is probably why he decided at the last moment to let China present her own case.

At the fourth plenary session of the Conference the treaty relating to the Pacific islands, generally known as the Four-Power Treaty, was presented by Senator Lodge. By the terms of this treaty, the United States, Great Britain, France and Japan agreed "to respect their rights in relation to their insular possessions and insular dominions in the region of the Pacific Ocean," and in case of any dispute arising out of any Pacific question to refer the matter to a joint conference for consideration and adjustment. This article appeared harmless enough, but Article II seemed to lay the foundations of an alliance between these Powers. It was as follows: "If the said rights are threatened by the aggressive action of any other Power, the High Contracting Parties shall communicate with one another fully and frankly in order to arrive at an understanding as to the most efficient measures to be taken, jointly or separately, to meet the exigencies of the particular situation." This treaty is to remain in force for ten years, after which it may be terminated by any of the High Contracting Parties on twelve months' notice. It supersedes the Anglo-Japanese Alliance which, it expressly provided, should terminate on the exchange of ratifications.

In presenting the treaty, Senator Lodge assured his hearers that "no military or naval sanction lurks anywhere in the background or under cover of these plain and direct clauses," and Secretary Hughes in closing the dis-

cussion declared that it would probably not be possible to find in all history "an international document couched in more simple or even briefer terms," but he added, "we are again reminded that the great things are the simple ones." In view of these statements the members of the Conference and the public generally were somewhat bewildered a few days later when Secretary Hughes and the President gave out contradictory statements as to whether the treaty included the Japanese homeland. Hughes stated to the correspondents that it did, and the President said it did not. Whereupon some wag remarked that at Paris President Wilson did not let the American delegation know what he did, while at Washington the delegates did not let President Harding know what they were doing. In deference to the President's views and to criticisms of the treaty in the Japanese press a supplementary treaty was later signed expressly declaring that the term "insular possessions and insular dominions" did not include the Japanese homeland.

Meanwhile the Shantung question was being discussed by China and Japan outside of the Conference, but with the representatives of the American and British Governments sitting as observers ready to use their good offices if called on. The reason for not bringing the question before the Conference was that Great Britain, France and Italy were parties to the Treaty of Versailles, which gave Japan a legal title to the German leases in Shantung. The restoration of the province to China was vital to a satisfactory adjustment of Chinese affairs generally. Japan, however, was in no hurry to reach an agreement with China, wishing for strategical purposes to keep the matter in suspense to the last, if not to avoid a settlement until after the adjournment of the Conference and continue negotiations under more favourable conditions at Peking or Tokio.

By Christmas it seemed that the Conference had accomplished about all that was possible, and that it would adjourn as soon as the agreements already reached could be put into treaty form and signed. At the end of the first week in January it looked as if the Chinese and Japanese had reached a deadlock, and that the Conference would adjourn without a satisfactory adjustment of any of the Chinese problems. Mr. Balfour and other important delegates had engaged return passage, and all indications pointed to an early dissolution of the Conference. But the unexpected happened. At an informal gathering of administration leaders at the White House on Saturday night, January 7, stock was taken of the work of the Conference, and some of the Senators present expressed the opinion that if it adjourned without doing more for China, there would be little hope of getting the treaties ratified. As a result Secretary Hughes persuaded the British and Japanese delegates to cancel their sailings, and with characteristic energy and determination took personal charge of the Far-Eastern situation, which up to this time had been left mainly to Mr. Root. After a little pressure had been brought to bear on the Chinese by President Harding, and probably on the Japanese by Mr. Balfour, Secretary Hughes was finally able to announce at the plenary session of February 1 that Japan and China had reached an agreement as to the terms on which Shantung was to be restored. At the same session the agreements in regard to China reached by the Committee on Far-Eastern affairs were announced. These agreements were finally embodied in two treaties, one dealing with the tariff and the other with the open door, and a series of ten resolutions.

In the treaty relating to the open door, the Contracting Powers other than China pledged themselves to the following principles:

"(1) To respect the sovereignty, the independence, and the territorial and administrative integrity of China;

" (2) To provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government;

" (3) To use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China;

" (4) To refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of friendly States, and from countenancing action inimical to the security of such States."

China on her part accepted fully the principle of the open door, and pledged herself for the first time to respect it.

The achievements of the Conference, although falling far short of the extravagant claims made by the President and the American delegates, were undoubtedly of great importance. The actual scrapping of millions of dollars' worth of ships in commission or in process of construction gave the world an object-lesson such as it had never had before. One of the most significant results of the Conference was the development of a complete accord between England and the United States, made possible by the settlement of the Irish question and furthered by the tact and gracious bearing of Mr. Balfour. One of the unfortunate results was the increased isolation of France, due to the failure of her delegates to grasp the essential elements of the situation and to play any but a negative rôle. The success of the Conference was due largely to Secretary Hughes who, though handicapped at every point by fear of the Senate and by the unfortunate commitments of President Harding during the last campaign, may be said on the whole to have played his hand reasonably well.

ECONOMIC AND POLITICAL CONDITIONS

On April 1, 1922, the coal-miners in both the anthracite and bituminous fields went on a strike which lasted for five months and caused an alarming shortage of coal. The object of the strike was to maintain the old wage scale against the proposal of the operators to return to what they considered a more normal wage; 550,000 union miners joined in the strike, and they were followed, to the surprise of the public, by 90,000 men in the non-union fields of Pennsylvania and West Virginia. The situation was aggravated by the strike of the railroad shopmen July 1, which interfered with the shipment of coal from the Southern fields. In August an agreement was entered into by the miners and operators in the bituminous field, by which the old wage scale was to continue until March 31, 1923. A similar agreement was reached a little later in the anthracite field, by which the old rate of wages was to continue until August 31, 1923. A condition of both agreements was the appointment of a commission to ascertain and report the facts. Such a commission was organised in October, in pursuance of an Act of Congress, with John Hays Hammond as chairman.

The strike of the railroad shopmen was the result of a twelve per cent reduction in wages effective July 1. The authority of the Labour Board established by the Esch-Cummins Act was directly challenged, and when the Board issued subpoenas to railroad managers and union heads to appear before it, the latter failed to obey the summons, with the exception of a few who had not ordered the strike. President Harding summoned both sides to a conference at the White House, but without results. Meanwhile the railroads, which had a considerable surplus of rolling-stock, were not as badly crippled as the strikers had expected. On September 23, by the



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CALVIN COOLIDGE

terms of the Willard-Jewell agreement, the men abandoned most of their demands and agreed to return to work, provided the railroads would restore to the positions held June 30 all except those who had been proven guilty of acts of violence. As compared with earlier contests on a large scale, the coal and railroad strikes of 1922 were remarkably free from serious disturbances.

On September 21, 1922, the President signed the Fordney-McCumber Tariff Act, which put into effect the highest duties the country had ever known. The warning from banking centres that Europe could not pay its debts if the United States put up the rates so high as to exclude European goods, fell on deaf ears. Every industry, including agriculture, clamoured for the highest duties it could persuade Congress to give it.

In the Congressional elections of November, 1922, the Administration and the Republican party received a rebuke. The Republican majority in the House was cut down from 150 to 15, and in the Senate, from 22 to 10. The Radical *bloc*, headed by Senator LaFollette, was greatly strengthened by the accession of several new senators from the agricultural States of the north-west.

On November 21, 1922, President Harding delivered a message to Congress outlining at length his ship-subsidy programme. During the war the nation had spent three billions in creating a fleet to carry men and provisions to Europe. The ships had been built at war costs, and waste and extravagance had been inevitable. After the war there were twice as many ships in the world as were needed. American ships were hopelessly handicapped by Acts of Congress designed to protect seamen, which increased the cost of operation. The Government still had on hand 1,400 ships, but only 400 were in use. There was no sale for them, and the Shipping Board was operating at an annual loss of $50,000,000. The President declared that the entire project of a merchant marine was likely to fail unless Congress should adopt measures of relief. He pointed out that the Government aided industry through tariffs, and railroads by land grants and loans. Why not aid shipping? A bill was drafted, and adopted by the House, providing for a large subsidy, and establishing discriminating duties on imports, tonnage and port dues. Much to the President's chagrin the Senate refused to pass the bill.

Meanwhile the farmers were clamouring for relief, and in December the ship-subsidy bill was, on motion of Senator Norris, displaced on the calendar of the Senate by the Rural Credits Bill. In 1916 Congress had passed an act establishing twelve regional farm loan banks under the supervision of a Federal Farm Loan Board. These banks lend money on mortgages for long terms, but they do not help in the moving and marketing of crops. For short-term credit the farmer was dependent to a large extent on local stores and on purchasers of and dealers in farm products. The farmer complained that the financial institutions of the country were designed to provide credit for industry and commerce, but not for agriculture. The Agricultural Credits Act of 1923 was passed in March just before the adjournment of Congress. It established twelve intermediate credit banks located in the cities now having Federal land banks, to be managed by the officers and directors of such banks. These credit banks were empowered to discount and purchase agricultural and live-stock paper from banks, live-stock loan companies, agricultural credit corporations, and various classes of farmers' coöperative associations.

In response to a widespread demand from the men who had served overseas during the war, Congress passed, shortly before the end of the session in March, a Bonus Bill, which the President courageously vetoed. The feeling

of the men was that, in view of the high wages and war profits made by those who stayed at home, the soldiers were entitled to a bonus. The President and Secretary Mellon opposed the increase in appropriations for the further issue of bonds, and strongly favoured a reduction of taxation. The advocates of the bonus were again prepared to urge the question upon Congress in December, 1923, and there was some doubt as to whether the Bonus Bill or Secretary Mellon's plan for the reduction of taxation would receive first consideration.

Throughout 1922 and 1923 the enforcement of the National Prohibition Act continued to receive a large amount of attention. Notwithstanding the increased appropriations for the enforcement service, bootlegging was steadily on the increase, and the demand was made that liquor be excluded from foreign ships in American waters, and that the jurisdiction of the United States be extended beyond the three-mile limit for the purpose of breaking up the so-called rum fleet engaged in smuggling. On April 30, 1923, the Supreme Court of the United States delivered an important decision, by a vote of seven to two, declaring that under the Eighteenth Amendment and the Volstead Act American ships could carry liquor outside the three-mile limit, but that no ships, American or foreign, could carry liquor within the territorial waters of the United States. The prohibition agents proceeded to seize sealed liquors on board foreign vessels in American ports, and Great Britain and other Governments protested. Secretary Hughes proposed to the British Government that if it would consent to the search of British ships beyond the three-mile limit, the United States would agree not to disturb liquors brought into American ports under seal. Lord Curzon promptly rejected the offer. The matter was discussed, however, at the Imperial Conference held at London during the summer of 1923, and, as a result of the views expressed there by some of the representatives of the overseas dominions, the British Government changed its attitude toward the Hughes proposal, and on October 31 signed a treaty permitting the United States to seize rum ships within a twelve-mile zone. It seemed probable that this treaty would encounter strong opposition in the Senate.

THE LEAGUE OF NATIONS AND THE INTERNATIONAL COURT

In May, 1921, Secretary Hughes directed Colonel George Harvey, the American Ambassador to England, to attend the meetings of the Conference of Ambassadors at Paris as "official observer." He also took steps to be represented "unofficially" by Mr. Boyden on the Reparations Commission. The system of "observers" thus inaugurated was objected to by some as an "involvement" in European affairs, and ridiculed by others as a wholly inadequate means of rendering assistance to Europe or of properly safeguarding the interests of the United States. In March, 1922, Secretary Hughes notified the Italian Government that the United States would not participate in the proposed Genoa conference on April 10, on the ground that the conference was to be political rather than economic. He also refused to participate in a conference of economic experts on Russia at The Hague, on the ground that Russia was in an unsatisfactory political condition. Nevertheless, Mr. Richard Washburn Child, Ambassador to Italy, sat at the Genoa conference as a silent "observer." At the Lausanne conference, which met November 20, 1922, to patch up a peace with Turkey, the United States was represented by three "observers," Ambassador Child, Admiral Bristol, American High Commissioner at Constantinople, and Joseph C. Grew, Minister to Switzerland. This time the "observers" were not silent.

In fact they talked so much in explaining America's position in matters affecting American interests in Turkey, and there was so much talk outside the conference by representatives of American oil companies, that the term "petroleum diplomacy" became connected with the American Department of State. As the United States had not been at war with Turkey, but had merely severed relations, it did not become a party to the general treaty of Lausanne.

After the signature of the Allied Treaty, Mr. Grew entered into negotiations with the principal Turkish delegate, and on August 6, 1923, signed two treaties: one a treaty of Amity and Commerce, and the other an Extradition treaty. The United States had to follow the example of the Allies and surrender most of the privileges which its citizens formerly enjoyed in Turkey. It remains to be seen whether the Senate will ratify the treaty. Considerable popular opposition to it had developed even before its submission to the Senate.

In the autumn of 1922, Stanley Baldwin, later Prime Minister, was sent from England to arrange the funding of the British debt to the United States. It had become evident that proposals for the general cancellation of war debts were not making any headway in the United States. So Great Britain determined to make the best terms she could. The amount of the funded debt was $4,600,000,000. It was agreed that it should bear interest at three per cent for ten years, and thereafter at 3½ per cent. This settlement was reached February 2, 1923, and accepted by both Houses of Congress shortly before adjournment in March.

The determination of the French Government to occupy the Ruhr district led the United States Senate to adopt a resolution, January 6, 1923, favouring the immediate withdrawal of the American Army of Occupation from the Rhine, in order to avoid embarrassment during the advance of the French troops. About 1,000 American troops were still on the Rhine under command of General Allen. The British troops as well as the German population were very reluctant to see them depart, but there was no reason for keeping them there after the signing of the treaty of peace with Germany.

While President Harding would have nothing to do with the League of Nations and repeatedly declared that it was a dead issue, one of the last important measures which he advocated was the participation of the United States in the Court of International Justice. On February 24, 1923, he addressed the Senate on this subject, and undertook to demonstrate that while the League had appointed the commission of jurists who drafted the statute of the Court, the Court now rested on an independent protocol, and that the United States could participate in this without in any way committing itself to the League. The only relation between the League and the Court was the fact that the Assembly and Council of the League elected the judges. The United States could send special representatives to these when sitting as electoral bodies. The President and Secretary of State urged the ratification of the Court protocol with reservations. The Senate failed to act on this suggestion prior to adjournment, and it became evident that strong opposition might be expected from the "irreconcilables." Public sentiment throughout the country was, however, strong for the Court. In order to overcome the opposition of certain senators, the President shifted his position in an address at St. Louis June 21, 1923, in the course of which he proposed that the Court be completely divorced from the League even in the matter of the election of judges, and that the Court should become self-perpetuating, its own members filling vacancies as they occurred. This proposal, so utterly at variance with his former proposal and with the views of Secretary Hughes, had the effect of ditching the whole proposition.

DEATH OF HARDING AND SUCCESSION OF COOLIDGE

The St. Louis speech referred to was the first of a series of public addresses made by the President on his trip across the continent preparatory to sailing for Alaska. He succeeded in creating a degree of enthusiasm in some places, but the task he essayed was a difficult one, that of convincing the Western farmer that with agricultural prices lower than they had been since 1914 the country was none the less prosperous. On the return trip from Alaska, the President was taken suddenly ill in California and died at San Francisco August 2, 1923. Although not a leader, President Harding had endeared himself to the American people in many ways and he was sincerely mourned. The Vice-President, Mr. Calvin Coolidge, at once assumed the presidency, and announced that he would carry out Harding's policies.

During the summer the country was again threatened with a coal strike in the anthracite field on account of the inability of the operators and miners to arrive at a new agreement to take the place of the one that was to expire August 31. The Coal Commission had made a preliminary report July 8, opposing Government ownership or operation, but recommending Federal regulation and an Act of Congress empowering the President to take over the operation of the mines and the distribution of coal whenever operators and miners should come to a deadlock over wages. The strike was finally averted through the mediation of Governor Pinchot of Pennsylvania.

Lloyd George's speeches in the United States in the autumn of 1923 revived the proposal made first by Mr. Hughes for an adjustment of the reparations question by a commission of financial and economic experts. This proposal had been made by the Secretary of State in a speech at New Haven December 29, 1922, but without immediate results. On September 12 the British Government addressed a note to the United States on the subject of the Hughes proposal. Great Britain was ready to engage in such a conference, and so were Italy and Belgium. On the 15th Mr. Hughes replied that the United States would agree to representation on the commission, provided there was unanimity in Europe. There followed negotiations with France, in which it was made plain that while France would agree to an inquiry into Germany's ability to pay, she was not willing to have the Ruhr question brought in, nor to have her rights and claims under the Versailles Treaty called into question. She insisted on maintaining the full authority of the Reparations Commission. Mr. Hughes, on the other hand, was not willing to have the cancellation of debts discussed. There seemed to be no chance of an agreement. Later the suggestion was made that a committee be appointed under the general authority of the Reparations Commission to consider Germany's ability to pay and some way of getting at German credits in foreign countries. This plan was still under discussion in December, 1923.

The new Congress, elected in November, 1922, convened in regular session December 3, 1923. President Coolidge's first annual message made a favourable impression on the country. He stated his views and policies in no uncertain terms. He still opposed America's joining the League, but favoured participation in the International Court. He stated his reasons for refusing to recognise Soviet Russia. He did not favour cancellation of inter-Allied debts, but saw no objection to adjusting them according to the principles adopted for the British debt. He approved Secretary Mellon's plan of tax reduction, but opposed the bonus. He declared it his duty to enforce prohibition. He favoured restriction of immigration. He urged Congress to pass a law authorising him to appoint a coal commission with power to deal with crises through ascertaining and publishing the facts. He favoured in-

direct relief to the farmer, but warned against resort to the public treasury. The strength of the agricultural *bloc* in the Senate was shown as soon as Congress reassembled by the refusal of the radical Senators to accept the Republican nominee for the chairmanship of an important committee and an attempt to make a deal with the Democrats.

On December 2 the hundredth anniversary of the Monroe Doctrine was celebrated quite generally throughout the country. Secretary Hughes availed himself of the opportunity to discuss, in a speech delivered in Philadelphia, the place of the Monroe Doctrine in the scheme of the foreign policies of the United States as a World Power in the twentieth century.

CHAPTER XXIX

"CANADA A NATION"

By W. S. Wallace

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"The nineteenth century was the century of the United States; the twentieth century will be the century of Canada." These words of Sir Wilfrid Laurier express the optimism with which, at the dawn of the twentieth century, Canadians looked to the future. The long commercial doldrums of the last quarter of the nineteenth century was over. Trade was on the increase. The vast vacant spaces of the west were being filled by a tide of immigration that doubled itself year after year. Best of all, the exodus of Canada's youth to the United States had been staunched. What Canada had needed above all was population and capital; and both these had begun to flow toward her in copious measure.

There had been, moreover, a marked increase in Canadian national spirit. In 1867, when the Dominion had been formed, vague hopes had been entertained that Confederation would lead to the creation of a "new nationality." Now the new nationality was a *fait accompli*. By the year 1900 Canadian autonomy was virtually complete. Indeed, it was in that year that the last British troops left Halifax, and that Canada took over the full responsibility for her military defence. Under these circumstances, a new spirit of self-reliance and self-consciousness had sprung up among Canadians; and references to "Canada a nation" were becoming more and more frequent. As Kipling sang of "Our Lady of the Snows" —

> "Daughter am I in my mother's house,
> But mistress in mine own."

At the same time there was a striking improvement in Canada's position abroad. For this two events were mainly responsible. The inauguration of the Imperial preference in 1897, and the exploits of Canada's sons on the battlefields of South Africa, both served to bring Canada into the limelight as never before.

SIR WILFRID LAURIER: A CANADIAN NATIONALIST

The government in power in Canada in 1900 was that of Sir Wilfrid Laurier. The so-called Liberal-Conservative party, which had, with one brief interlude of five years, controlled the destinies of Canada since Confederation, had gone to pieces after the death of Sir John Macdonald in 1891, and in 1896 it had been swept from power by the Liberals under Sir Wilfrid Laurier. Laurier had surrounded himself with a strong administration —

it was not improperly described as a "Ministry of all the talents" — and this administration was still in its first term of office when the new century opened.

There had been those in 1896 who had doubted Laurier's qualities of leadership. An orator of the first rank, either in French or in English, he was yet essentially a student and a scholar, with little of that aptitude for business details so essential in the Prime Minister of a country where so many people resemble the gentleman who said his politics were "contracting." Never were expectations more signally falsified. By 1900, Laurier was, without question, master of the administration; and the fact that he remained Prime Minister of the Dominion for fifteen years — a longer continuous period of office than had been enjoyed even by Sir John Macdonald — proved that he was not wanting in the art of politics. As one of his own supporters has said, if he had affinities with Sir Galahad, he had also affinities with Machiavelli.

Sir Wilfrid Laurier was a Canadian nationalist — perhaps the greatest of Canadian nationalists. This entailed with him two things: In the first place, it meant that the French and the English in Canada should dwell together in national unity. "Our respective forefathers," he said in his maiden speech in the Quebec Legislature in 1871, "were enemies and waged bloody war against each other for centuries. But we, their descendants, united under the same flag, fight no other fights than those of a generous emulation to excel each other in trade and industry, in the arts and sciences of peace." This ideal he kept steadily before him; and it is only fair to say that, during his premiership, there were none of those conflicts between the "two races" in Canada which have marred other periods of Canadian history. To bring about harmony between the French and the English in Canada was perhaps his dearest and devoutest ambition; and if, in the end, faced with an ineluctable dilemma, he clave, like Ruth, unto his own people, who shall blame him?

In the second place, Canadian nationalism meant for him Canadian autonomy within the British Empire. Sir Wilfrid Laurier was a loyal subject of the Crown. His Liberalism was of the British rather than of the French type. He was in favour neither of independence nor of annexation to the United States. But he resented and opposed any and every attempt, from whatever quarter, to bring Canada again under the leading strings of the mother country. He conceived of the British Empire — to use his own eloquent phrase — as "a galaxy of free nations." There was one Crown, but the Canadian Cabinet were as much the advisers of His Majesty for Canadian affairs as the British Cabinet were for British affairs. Both on Parliament Hill and at repeated sessions of the Imperial Conference, he championed this view against all comers.

Laurier's contributions to the growth of Canadian autonomy were many. Not only was it under his *régime* that the last British troops were withdrawn from Canada and the fortifications at Halifax and Esquimault handed over to the Canadian authorities, but it was under him that the Canadian militia ceased even to be commanded by an Imperial officer, and it was under him that the policy of a Canadian navy, as distinct from the British navy, was launched — that Canada assumed, in short, the full responsibility for her own defence, both military and naval, internal and external. It was under him that the right of Canada to control and regulate British immigration was first successfully asserted by the Immigration Act of 1910, whereby in effect British citizenship was limited in Canada. And it was under him that the interests of Canada in connection with the signing of Imperial treaties was finally safeguarded, by the arrangement arrived at in 1908, whereby no

Imperial treaty should be binding on Canada without Canada's explicit consent; and that Canada acquired the right of negotiating direct with foreign states in regard to commercial matters. To say, as is sometimes said, that Canada acquired the treaty-making power is not perhaps technically correct; what she obtained was the right to make informal agreements with foreign states to bring in concurrent legislation. But this was, to all intents and purposes, the equivalent of the treaty-making power in commercial matters.

In domestic affairs, perhaps the most striking feature of the policy of the Laurier Government was its aggressive immigration policy. The Minister of the Interior, Mr. (now Sir) Clifford Sifton, was a westerner, and understood fully that the chief need of the Canadian West was settlers. When he took office in 1897, he established immigration agencies all over the United States, the British Isles, and even continental Europe. At first, the results were small. Some of his agents in the United States resigned in despair. "The people," said one of them, "did not even know where Canada was." Gradually, however, the stream of immigration began to flow. In 1897, the total number of immigrants from the United States was less than 2,500; by 1907 this figure had increased to over 60,000; and by 1911 it had reached as high as 125,000. In 1897 the total annual immigration into the Dominion had been barely 20,000; by 1911 the total annual immigration had grown to nearly a third of a million. These figures did not take into account the contemporaneous exodus to the United States, of which satisfactory statistics were not available; and there was some controversy as to the net gain in population which had resulted from immigration. The census of 1911 did not show, by nearly a million, the increase in population which had been expected. But the figures were, with all deductions, sufficiently impressive, and constitute one of the most notable achievements of the Laurier *régime*.

THE ERA OF RAILWAY EXPANSION

The opening up of the country which resulted from this immigration entailed on the Government a policy of railway expansion. Since 1885 Canada had had in the Canadian Pacific railway a transcontinental line which linked Halifax with Vancouver; but it became clear that this alone would soon be inadequate to meet the demands of the rapidly growing west. The single line from Winnipeg to Port Arthur was a bottle-neck in which freight traffic was already becoming hopelessly congested. Under these circumstances, the Grand Trunk railway, the oldest railway corporation in eastern Canada, which had long felt the need of through connections, applied to the Government for aid in building a second transcontinental railway, the Grand Trunk Pacific. At the same time, two daring and ingenious Canadian railway-builders, Sir William Mackenzie and Sir Donald Mann, by buying up the charters of a network of small railways, had created the beginnings of a third transcontinental system, the Canadian Northern; and they too applied to the Government for aid. Sir Wilfrid Laurier made an attempt to bring the Grand Trunk and the Canadian Northern together; but the two were unable to come to an agreement, and each pursued its plans irrespective of the other. The Government chartered the Grand Trunk Pacific, to run from Winnipeg to the Pacific, and it undertook itself to build an extension of the Grand Trunk Pacific, which was to run through northern Ontario and Quebec from Winnipeg to Moncton, to be known as the National Transcontinental. This line the Grand Trunk was to lease from the Government for 50 years at a small rental. Meanwhile, by the guarantee of bonds and even by cash subsidies, the Canadian Northern continued to seek and obtain

aid, both from the Dominion Government, and from some of the provincial governments.

This ambitious railway programme was the storm-centre of much controversy, and it was the occasion in 1903 of the resignation of Laurier's Minister of Railways, Mr. A. G. Blair. There would appear to be no doubt that Sir Wilfrid Laurier, after his abortive attempt in 1903 to bring the Grand Trunk and the Canadian Northern together, became convinced that Canada could support three transcontinental systems. In nothing, perhaps, during his period of office, was Laurier's lack of business capacity more signally, more tragically displayed. It is usual to attribute the disastrous results of the Laurier railway policy to the World War and the conditions created by it, conditions which bore hard on railways in all countries; but the conclusion is irresistible that the Laurier railway policy would have ended in disaster, even if the World War had never taken place. The National Transcontinental, built under political auspices, cost in the end three times as much as the original estimate had allowed for; and it was a white elephant from the beginning. Before they were completed, both the Grand Trunk Pacific and the Canadian Northern had to come down on the Government for further aid; and the solvency of both railways, when the war broke out, was open to grave question. The war, without doubt, greatly aggravated the situation. But no one can now deny that Laurier's weak handling of the railway problem constituted the chief blot in the record of his *régime*.

WANING FORTUNES OF THE LAURIER RÉGIME

The leader of the Conservative opposition to the Laurier Government was, after the retirement of the veteran Sir Charles Tupper in 1901, Mr. R. L. (now Sir Robert) Borden. Mr. Borden was a Halifax lawyer of high ideals, strict integrity, and few oratorical pretensions. He had little of that personal magnetism which had endeared both Sir John Macdonald and Sir Wilfrid Laurier to the people of Canada; and in two successive elections, those of 1904 and 1908, he led his cohorts to defeat at the polls. On at least one occasion there was a cabal against his leadership. But his upright character, his moderation, his business-like attitude toward public affairs won for him the support of the majority of the party; and as time went on, he gradually strengthened his position in the country.

Meanwhile, the fortunes of the Laurier Government were on the down grade. There is in the case of governments a law of diminishing returns. The first fine frenzy of reforming zeal is in time replaced by "the administrative mind" and a mere desire to cling to office. Such was the fate of the Laurier Cabinet. By its third parliamentary term it had become mainly an office-holding administration. Of Laurier's first colleagues, moreover, one after another had fallen by the wayside. A striking feature of Laurier's premiership was the ruthless way in which he discarded the lieutenants who crossed his will. First, Israel Tarte, his chief lieutenant in the province of Quebec, parted company with him over the question of the tariff; then A. G. Blair, the Minister of Railways, was forced out of the Cabinet on the railway issue; and in 1905, Clifford Sifton, the Minister of the Interior, was compelled to resign over the question of separate schools in the North-west. These ministers were replaced by new men whose chief qualification was often their party loyalty. When he was remonstrated with by an old friend on the score of one of these appointments, Laurier's reply was that "So-and-so has never made any trouble for me."

Inevitably, under these circumstances, rifts began to appear in the party lute. The first serious dissension occurred in 1905, over the question of separate Roman Catholic schools in the new provinces of Alberta and Saskatchewan. It might have been expected that Laurier, who had resisted the coercion of Manitoba in regard to separate schools in 1896, would have been careful to avoid coercion in 1905. But by this time political conditions had changed, and Laurier was loth to defy the French-Canadian bishops again. In the end, he made some concessions to the opponents of separate schools; but the incident cost him his Minister of the Interior, and it seriously undermined his position with many Liberals in Ontario and the west.

What Laurier himself, however, regarded as a more serious matter was a movement away from his hegemony which had been growing up in the province of Quebec. This movement was headed by Henri Bourassa, a grandson of the famous Papineau, who had broken with Laurier in 1900 over the question of the dispatch of Canadian contingents to the Boer War. Bourassa described himself as a Nationalist, but he and his followers were really French-Canadian, rather than Canadian, nationalists. Unlike his grandfather, he was strongly clerical and ultramontane; and he seemed to regard the preservation of the French language and the existence of the Roman Catholic Church in Canada as indissolubly wrapped up together. He was bitterly anti-imperialistic; and even Laurier's naval policy — the creation of what the Imperialists called a "tin-pot navy" under purely Canadian control — was denounced by him as an attempt to drag the sons of the *habitant* into the vortex of British militarism. It came to look as though Bourassa would supplant Laurier as the favourite son of the *Québecquois;* and when Laurier's old constituency of Drummond-Arthabaska returned in 1910 a Nationalist candidate, it was regarded as the handwriting on the wall.

THE RECIPROCITY ISSUE AND ITS RESULTS

As the elections of 1911 drew near, it became clear that something would have to be done to rehabilitate the Government with the electors. Some bold stroke was necessary if the Government was to be saved from the fate which threatened it. By what seemed singularly good fortune, it was discovered that the Republican administration of Mr. Taft in the United States was favourable to a measure of reciprocity in trade arrangements with Canada. Reciprocity in trade with the United States had long been a lodestar with Canadian politicians. The Reciprocity Treaty of 1854–1866 had been a commercial boon to Canada; and at repeated intervals since 1867 Canadian statesmen had sought to renew closer trade relations with the Great Republic — only, however, to be met with repeated rebuffs. If the Laurier Government could now succeed, where all previous administrations had failed, in negotiating an agreement whereby the great market of the United States would be thrown open to Canada, it was thought that this achievement would open before it a new lease of life.

Mr. Fielding, the Canadian Finance Minister, went to Washington and negotiated an agreement for reciprocity in natural products. On this platform, the Laurier Government appealed to the country. The result was an election of exceptional bitterness. The Conservatives, the traditional exponents of the "National Policy" of high protection, used every argument both economic and political, on which they could lay their hands. They represented the reciprocity agreement as merely the precursor of commercial, and possibly political, union. They pointed out that, since 1867, Canada had followed a policy of inter-provincial and inter-imperial trade, with rail-

ways spanning the country from east to west; and they contended that to open up even partial free trade from north to south, would be to reverse that policy, with perhaps disastrous results. They raised against the Liberals the old cry, so deadly in a country settled originally by the Loyalists of the American Revolution, of disloyalty to the empire; and it was unfortunate that both Mr. Taft and Mr. Champ Clark, the Speaker of the House of Representatives in the United States, used language which seemed to give colour to their cry. Mr. Taft, for instance, spoke about Canada being "at the parting of the ways"; and a significance was attached to his remark which it was probably not intended to bear.

When the electoral returns were in, it was found that the Government had been decisively defeated. Perhaps the most remarkable feature of the election was the result in British Columbia and Ontario. In British Columbia not one Liberal was returned, and in Ontario there were only 10 Liberals elected as against 72 Conservatives. In the Maritime provinces, in Quebec, and in the Prairie provinces, the Liberals had a slight advantage; but even here their losses had been great. In the province of Quebec, only 38 Liberals were returned, as against 27 Conservatives and Nationalists. This result was due to the fact that, in Quebec, the imperialist Conservatives and the anti-imperialist Nationalists had joined hands in what was not unfairly described as "an unholy alliance," with the result that, while Laurier was assailed in Ontario as too French to be British, he was attacked in Quebec as too British to be French. Such are the devices to which political parties sometimes resort.

THE BORDEN MINISTRY

The administration which was formed by Mr. Borden, on the resignation of Sir Wilfrid Laurier, had behind it a decisive parliamentary majority of 45 in the House of Commons. But it was confronted by an equally decisive majority in the nominated Senate — the aftermath of 15 years of Liberal supremacy; and it contained within itself an element of weakness in the Nationalist members of the Government. Sir John Macdonald had been able to drive in double harness the orange and the *bleu;* but it remained to be seen whether Sir Robert Borden (as he now became) could do the same. The full difficulties of the Government's position were seen in the debate on the naval question in the session of 1912–1913. The British Government, alarmed at the menace of the German naval programme, were pressing the Canadian Government for some action in naval matters that would impress on the world the solidarity of the British Empire. The Borden administration, relying on their majorities in the English provinces of Ontario and British Columbia, decided to make a gesture which would be immediate and emphatic in its effect. They decided, while leaving for future consideration the policy of a Canadian navy, to present to the British Admiralty three dreadnoughts of the latest design. This proposal met with the prompt and unmeasured opposition of the Liberals. Sir Wilfrid Laurier ridiculed the idea that any emergency existed; and the Liberal majority in the Senate proceeded, without compunction, to throw out the bill in which the proposal was embodied. As events proved, their action was most unfortunate; but there is little doubt that they thought they were faced with an imperialistic plot, and did not fully realise the consequences of their action.

Sir Robert Borden might, after the defeat of the Naval Bill, have appealed again to the country; but he probably hesitated to inflict on his supporters another election at so short an interval, and he may have had doubts about the popularity of his policy with the electors. At any rate, he accepted his

defeat; and when the World War broke out in 1914, Canada was probably as ill-prepared as any of the countries which entered it at the outset. Her navy was a mere *nominis umbra;* and her militia was the same costly and ineffective organisation as had repelled with difficulty the Fenian raids of half a century before.

CANADA IN THE WORLD WAR

The story of Canada's participation in the World War will be dealt with elsewhere; and all that will be necessary here is to deal with its effect on the domestic history of the Dominion. The outbreak of hostilities discovered in Canada a wonderful unanimity of sentiment. Hardly a dissentient voice was raised when it was decided to send to the European theatre of war an expeditionary force of one division; and when this force embarked, it actually numbered 33,000 men — the largest military force which had hitherto ever crossed the Atlantic at one time. In the special war session of the Canadian Parliament, which was called in August, 1914, the attitude of Sir Wilfrid Laurier and his followers was unexceptionable; and it must forever be a matter of regret that Sir Robert Borden did not, at this juncture, invite the Liberals to join with him in the formation of a national government. He failed, however, to do so; and when, three years later, the wisdom of uniting all sections of the Canadian people in the prosecution of the war became evident, the time for complete union had gone by.

The expectation, fostered by the economists, that the war would be of short duration, gradually disappeared; and, as the needs of the situation became clear, the Canadian Government authorised first a second, and then a third, contingent. In the end, a total enlistment of half a million men was aimed at; and of these over 400,000 actually proceeded overseas, out of a population of about eight millions. The overwhelming proportion of these recruits were obtained by voluntary enlistment; and in Flanders fields they proved themselves the equal of the professional armies of Europe.

As time wore on, however, the stream of recruits began to dry up. After the first shock of the economic disturbance caused by the war, Canada embarked on a period of exceptional prosperity. The produce of Canadian farms was in great demand in Europe; and Canada had moreover entered upon the manufacture of munitions of war upon a scale which necessitated the employment of large numbers of operatives. Under these conditions, the "slacker" found it easy to convince himself that his duty lay on the "home front"; and if Canada's military effort was not to fall off, it became clear that some form of compulsory military service must be adopted. Sir Robert Borden and his Minister of Militia, Sir Sam Hughes, had from 1914 to 1917 set their faces against "conscription"; but when enlistments fell far below the casualty lists, they were compelled to change their minds, and in 1917 the Government introduced into Parliament a measure imposing compulsory military service on all unmarried men and childless widowers of military age.

During the early stages of the war Sir Wilfrid Laurier had proclaimed a political truce; and in a measure this truce had been maintained up to 1917. There had been criticism of various features of the Government's conduct of affairs, criticism in many cases not without just foundation; but there had been no open political warfare. With the adoption of the policy of compulsory military service, however, the buttons came off the foils. Sir Wilfrid Laurier was constitutionally averse from "conscription." In any case, he saw no chance of carrying Quebec with him in the adoption of any



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The largest grain elevator in the world is found at Port Arthur, Ontario, its capacity being 10,000 bushels daily.



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The area of Canada is nearly four million square miles, and a recent estimate of Canada's stand of timber is 903,000,000,000 feet. Canada's forest wealth is the greatest in the world.

such programme; and the conciliation of Quebec had become with him, since his overwhelming defeat in Ontario in 1911, a cardinal point of his policy. It was unfortunate that there had sprung up, since 1912, a controversy over the use of the French language in the so-called bilingual schools of Ontario, which had stirred the province of Quebec profoundly. The redoubtable Mr. Bourassa was again on the warpath; and Sir Wilfrid saw that, unless he was to forfeit the leadership of his own people, he must oppose the Military Service Act with all his vigour.

It was a tragic choice. With bitterness in his heart, Laurier saw himself deserted by large numbers of the Liberals of Ontario and the west. The Liberal party was, in fact, rent in twain. The Military Service Act became law. But Laurier refused to alter his course. When Sir Robert Borden invited him to enter a Coalition Cabinet, to put the Act into operation, Laurier rejected the invitation with decision. It had come too late. The result was, what had hitherto been avoided, a war-time election; and in this election, Laurier believed that, with a solid Quebec behind him, he could carry the country.

The hope was unfounded. Sir Robert Borden succeeded in forming a Coalition Government, in which many leading Liberals accepted portfolios; and though, in the elections of 1917, the anti-conscriptionist Liberals carried Quebec by overwhelming majorities, they were defeated by equally overwhelming majorities in most of the English-speaking provinces. Laurier came back from the polls with a following of only eighty-two in a House of 235, and of these no less than sixty-two came from the province of Quebec. Canada as a whole had responded to the appeal of her dead soldier-poet:

> "Take up our quarrel with the foe,
> To you from failing hands we throw
> The torch: be yours to hold it high.
> If ye break faith with us who die,
> We shall not sleep, though poppies grow
> In Flanders fields."

The Coalition or Unionist Government formed by Sir Robert Borden and supported by the Conservatives and the conscriptionist Liberals, had oversight of the destinies of Canada during the remainder of the war and during the period of reconstruction that followed. Its record was one in which Canada might well take pride. Under the Conservative war administration which preceded it, there had been some unpleasant scandals in connection with the manufacture of war munitions and supplies; and the vagaries of the Minister of Militia, Sir Sam Hughes, had roused widespread criticism. But under the new order of things, the very breath of scandal disappeared, and the prosecution of the war took on a new vigour. The Military Service Act, it is true, proved in operation to be somewhat of a disappointment, since it was administered unequally in different parts of the country, and yielded only something less than 100,000 recruits. But the objective at which Canada had aimed, a total of half a million enlistments, was more than surpassed; and at the same time Canadian farms and factories made contributions to the Allied cause of which no one in 1914 would have deemed them capable. The problem of financing this war effort was, however, great. Canada had been before 1914 a debtor country, and especially after 1917, when the United States entered the struggle, the countries from which she had borrowed were not able to lend. The problem was solved by domestic loans; and the success of the Minister of Finance, Sir Thomas White, in floating the Victory Loans of 1917, 1918, and 1919 was one of the most admirable features of the Government's record.

CANADA'S NEW STATES

The Unionist Government came also into closer touch with the central direction of the war than its predecessor. In 1917 there was held an Imperial Conference; and out of this conference there grew the interesting but short-lived experiment of the Imperial War Cabinet, of which Sir Robert Borden, like the prime ministers of the other Dominions, was a member. Both at the Imperial Conference and at the sessions of the Imperial War Cabinet, Sir Robert Borden, it is worthy of note, took up what was practically the same nationalist attitude as had always been maintained by Sir Wilfrid Laurier. When he went to Versailles in 1919 as a member of the British Empire Delegation to the Peace Conference, he insisted on Canada and other Dominions signing the Treaty separately, on their being given representation in the Assembly of the League of Nations, and even on their being made eligible for election to the Council of the League. He inherited from Laurier the theorem that the Canadian Government was as much the adviser of the Crown in regard to Canadian affairs as the British Government was in regard to British affairs. This idea was accepted by the British authorities, in principle at least; and thus, it may be said, Canada was given a new status in the empire. It became a distinct national unit in a British Commonwealth of Nations, and indeed, in some respects, a unit in international affairs.

In 1783 a Treaty of Versailles had marked the completion of the American Revolution, whereby the United States achieved independence of the mother country; in 1919 another Treaty of Versailles marked the consummation of what may be described as the Canadian Revolution, whereby Canada has achieved virtually the same independence — but this revolution has taken place, not as the result of a bloody fratricidal war, leaving in its train an aftermath of hatred and ill-will, but as the result of a long and peaceful process, which has left behind it nothing but the most cordial loyalty and good-will.

With the signing of the Peace Treaty, the Canadian Government turned to the task of demobilisation and reconstruction. Demobilisation was completed with much less difficulty than had been anticipated, thanks to the excellent arrangements of a new Department of Soldiers' Civil Re-establishment, which the Unionist Government had created; and the transition from a war to a peace basis was accomplished in the country with comparative smoothness. The Government did everything that a government could do to break the shock of readjustment. There were, however, problems which almost defied solution. Chief of these was that of finance. The national debt of Canada, which had been $332,000,000 in 1914, had been quadrupled during the war; and although taxation had been greatly increased, the burdens imposed by the war were so great that it seemed impossible to bring revenue and expenditure once more to an equilibrium. Had there been only debt charges, pensions, and such things to consider, the situation might not have been hopeless; but the war had ruined all the railways of Canada, with the sole exception of the Canadian Pacific railway, and since it would have been fatal to allow these railways to go into bankruptcy, the Government had been compelled to take over the Grand Trunk, the Grand Trunk Pacific, and the Canadian Northern, and to meet their huge deficits, totalling tens of millions of dollars each year, out of the public exchequer. The railway policy adopted by the Laurier Government had, with startling and unexpected rapidity, come home to roost.

GROWING HOSTILITY TO THE UNIONIST GOVERNMENT

The way in which the Unionist Government grappled with the problems of the *post-bellum* period will probably merit the high praise of future historians; but the Government itself incurred the unpopularity of *post-bellum* Governments, and especially of Coalition Governments, everywhere. One by one the leading Liberals in the Cabinet deserted the ship. In Ontario and the west, where the Government's chief strength lay, there sprang up an organised political movement among the farmers, which was hostile to both the old political parties, but especially to the Unionist party. The new party, which described itself as Progressive, but was really the result of a class movement, captured the Government in several of the provinces, and won bye-election after bye-election in the Federal sphere. Sir Robert Borden, worn out by nine years of office during perhaps the most trying period in Canadian history, read the omens, and in 1920 he submitted his resignation to the Governor-General. He was succeeded in the Prime Ministry by one of his lieutenants, Mr. Arthur Meighen.

Mr. Meighen, a man of marked ability, made a gallant attempt to restore the fortunes of the Government; but the stars in their courses were fighting against Sisera. He was confronted by the embattled farmers, under the leadership of Mr. Crerar, a former member of the Unionist Government, and by the reorganised Liberal party, under the leadership of Mr. Mackenzie King, who had succeeded Sir Wilfrid Laurier as leader of the Liberal opposition, on the death of the latter in 1919. In 1921, Mr. Meighen, with the intrepidity of a leader of a forlorn hope, went to the country; and in the elections that followed he suffered a crushing defeat. His supporters in the new House numbered only fifty. The Liberals, with a solid phalanx of 65 members from Quebec, outnumbered both the other parties by a majority of one; and Mr. Mackenzie King was therefore invited to form the new Government.

MR. MACKENZIE KING AS PREMIER

Efforts were made by Mr. Mackenzie King to effect a coalition with the Progressives; but these efforts were unsuccessful, and the administration which he formed was purely Liberal in its complexion. Though given an informal support by the Progressives, the Mackenzie King Government has been seriously handicapped by its narrow majority, as well as by its dependence on Quebec; and its policy has been marked by caution, not to say inaction. Severe criticism has been directed against it for its failure to fulfil some of its rather rash preëlection pledges. But it has done good work in consolidating the Grand Trunk, the Grand Trunk Pacific, and the Canadian Northern with the Canadian Government railways; and it has succeeded in doing what its predecessor failed to do, namely in making revenue and expenditure meet.

Never perhaps has there been such urgent need of a strong and aggressive government in Canada as at the present. A cloud of problems is pressing for solution. In the first place, there are the problems affecting the Canadian Department of External Affairs. Included in these are the hundred and one questions arising from Canada's new position in the British Empire and in the League of Nations. Is machinery to be created for making effective Canada's participation in the foreign policy of the empire? And if so, how far is Canada to commit herself to entanglements in European affairs? Linked

up with these questions is the problem of Canada's relations, both political and economic, with the United States. Is Canada to have at Washington, as has been proposed, a representative of her own? And if so, what relation is he to bear to the British Ambassador at Washington? On the answer to these questions, as will be evident, much depends.

No less important are the problems connected with Canada's internal affairs. The most immediate and urgent of these is perhaps that of public finance. Though taxation in Canada is not as heavy as it is in some countries, it is too heavy for a country where capital is both exceptionally scarce and exceptionally necessary. Can taxation be lessened, and the cost of living reduced, so as to release the money required for the development of the undoubted natural resources of the country? Connected with this problem is the railway question. By what methods, and under what conditions, can the enormous deficits of the Canadian Government railways be reduced or eliminated? And connected with this problem is that of immigration. The Canadian railways can never pay until there are more people in the country; but how far can Canada safely go in opening her doors to immigration? Unrestricted immigration would be, without doubt, a profound mistake; and yet it would be equally a mistake to carry restriction too far.

Another domestic problem is the relation of the two races in Canada. On the whole, French Canadians and English Canadians have got along remarkably well together, as will be evident from a comparison of the history of Canada with that of Ireland, or Poland, or the Balkans, where races similarly diverse in language, religion, and historical antecedents have been placed in juxtaposition. But their relations have never been wholly harmonious; and the events of the war did not contribute to bridge the gap that exists. Statesmanship of a high order is necessary if complete harmony is to be achieved.

But perhaps the greatest problem facing Canadian statesmen to-day is not the divorce between the French and the English, but the divorce between the east and the west. The creation of the Dominion of Canada was, to a much greater extent than most people realise, a triumph over geography. The Canadian west is, from the standpoint of economic geography, much more closely related to the American west than to the Canadian east. A wilderness of several hundred miles separates the agricultural and pastoral provinces of Manitoba, Alberta, Saskatchewan and British Columbia from the more industrialised provinces of Ontario and Quebec. Under these circumstances, it is not strange that the outlook of the east and the west should be different, especially in regard to economic questions, or that sympathy between them should be imperfect. If Confederation is to be a success, something must be done to reconcile the conflicting claims of its component parts.

There are those, both in Canada and the United States, who have prophesied that the ultimate fate of Canada will be absorption in the United States. To such a conclusion, perhaps, the facts of geography point. Yet it must be confessed that the idea of the union of Canada and the United States is now farther from the field of practical politics than ever before. The Canadian people believe that there is room on the North American continent for two experiments in democracy; and, despite the problems which confront them, they would appear to be more intent than ever on preserving their national identity, within the circle of the British Empire.

CHAPTER XXX

FRANCE AGAIN THE DOMINANT POWER ON THE CONTINENT

By Albert Thomas

Director of the International Labour Office, League of Nations, Geneva. Minister of Munitions in French War Cabinet.

It is difficult and perhaps unwise to seek to discern in the history of the first twenty-five years of the twentieth century, cut into by a devastating war, an explanation of those confusing and formidable problems whose solution is to-day the torment of the whole world. What traditional forces will influence mankind? Towards what destiny is it marching or does it believe that it is marching? What is its aim? All these are questions in which personal convictions are likely to separate facts from their correct interpretation. If there is, however, one history which permits of such examination, it is that of France.

French evolution, indeed, is not dominated by racial oppositions; at the moment when national consciousness first awoke all over Europe, the claims of minorities were unknown in France, which offers a model of national, conscious, deliberate and almost perfect unity.

Neither is French evolution dominated by economic pressure. Blessed with a strong and healthy agriculture, endowed with a sufficiency of industrialism, France enjoys an economic autonomy and a material independence greater than those of most nations.

As her great historian Michelet observed, her history is, so to speak, more conscious, more free — more political, in a word — than that of many other nations. And this history proceeds by crisis — crisis of conscience, crisis of vision, crises which are frequently feverish, but in which the sharp opposition of ideas permits the desires of statesmen and the direction of each movement to be more clearly understood.

I. Republican Politics 1900–1906

The famous Dreyfus affair

At the opening of the twentieth century France was in the throes of a crisis; that of the Dreyfus affair.

In December, 1894, an artillery captain, Dreyfus, a Jew, had been condemned for treason; he was accused of having delivered to Germany certain secret military documents. This case had stirred the country profoundly; for since 1870 public opinion had never ceased to fear German hostility. It hated traitors and it had no love for Jews, and even after 1886 anti-Semite propaganda had had throughout the country a certain measure of success.

However, several men — Bernard Lazare, a Jewish journalist; Lieutenant-Colonel Piquart, a staff officer, and Scheurer Kestner, an Alsatian senator, convinced that Dreyfus was innocent, sought to persuade the Government of the necessity of a new trial. The Government, fearing an outbreak of public opinion, refused a re-trial. A second War Council even acquitted another officer, Esterhazy, suspected of having committed the treason with which Dreyfus had been charged. It was at this moment, in January, 1898, that the famous novelist, Emile Zola, in an open letter, entitled *J'accuse,* accused the War Councils of having condemned Dreyfus on secret evidence and acquitted the real traitor, Esterhazy, in the hope of covering up the first illegality. He thus succeeded in raising in the public mind the very storm that the Government had wished to avoid. Zola was condemned by a *Cour d'Assises* in February, 1898. But a campaign in favour of the revision of the trial was suddenly begun. A little handful of "intellectuals," writers and professors, supported Emile Zola and demanded a new trial, guided in their action by their desire to see justice rendered to an innocent man, and by a dislike to all State politics which were "opposed to the individual rights due to every citizen." They protested against the authority of military chiefs as a substitute for the examination of facts. Jaurès, the great Socialist orator, and Clemenceau, the former Radical chief whom the Panama scandals had temporarily removed from the field of politics, plunged into the battle from its opening. Revolutionaries, anarchists, Socialists also ranged themselves against the "defenders of the army" in meetings and manifestations. But against the "Dreyfusards" were ranged all military officers, a large part of the clergy, the Catholic Conservatives, and Nationalists of every shade.

In the beginning, and on account of prejudice and patriotic tradition, the larger part of public opinion favoured the adversaries of Dreyfus. The Republicans attempted to suppress all allusions to the Dreyfus affair in the electoral campaign which took place in May, 1898; nevertheless, the "Affair" influenced the results. Although the moderate Méline Ministry was overthrown and a Republican Cabinet constituted, Cavaignac, the War Minister of this Cabinet, still claimed to be able to furnish the Chamber with irrefutable proofs of the guilt of Dreyfus. He was applauded by the Assembly. But soon, amidst the most critical disclosures, it appeared that the pretended proofs were false; one of their authors killed himself; Cavaignac resigned in September, 1898; the Dreyfus trial was sent before the *Cour de Cassation.* The Criminal Chamber of the Court declared the request for revision to be in order; and in June, 1899, it was unanimous in cancelling the verdict.

But as a result of all these struggles, political passions were strengthened and heightened. In January, 1899, not only did the League of Patriots, an old society founded by Paul Déroulède for a "revanche" against Germany, range itself against the League for the Rights of Man, founded by the revisionists, but there was also formed a League of the French Motherland (*Patrie*) which was joined by nearly all the members of the Academy.

President Félix Faure having died, M. Loubet was elected President of the Republic on February 18, 1899, and a tentative *coup d'état* took place. It failed. The Ministry, suspected of weakness in regard to the nationalists, found itself in the minority. After a long-drawn crisis, a Ministry, called a *Ministry of Republican defence,* was constituted. It had for its chief an eminent statesman, cold of character, lucid of mind, exercising an amazing authority over the superior men whom he was able to group around him, an upholder of government that was at once strong and mindful of law and justice. This man was Waldeck-Rousseau. Associated with his Cabinet

was a Socialist, Millerand (June, 1899). In order to support it, he appealed to a coalition of the Left groups, Socialistic radicals and moderate Republicans.

THE STRUGGLE BETWEEN CHURCH AND STATE

How had a limited agitation for the revision of the trial of a Jewish officer — an agitation begun outside party strife — been able to bring about such results? In order to understand it, it is necessary to recall the political struggle which, from the time of the French Revolution, has, so to speak, never ceased. When the intellectuals, partisans of the reopening of the case, began a public agitation, they at once found facing them officers anxious to defend the honour of the army which, in their view, was about to be attacked by the rehabilitation of a traitor, and the officers were sufficiently deeply engaged in resistance to dream even of attempts at a military *coup d'état*. Many amongst these last belonged to the old aristocracy which remained faithful to the tradition of the past. On the other hand, the clergy entered the lists against Jews and Protestants. Now, since the Revolution and under every *régime*, the clergy as a whole have been traditionally hostile to the republic. Throughout the Dreyfus affair they were dangerously active. Dating from the electoral campaign in 1898, the "Justice-Equality Committee" was directed by the Fathers of the Assumption; the same Fathers published *La Croix* ("The Cross") a daily paper which served as a model for all the "Crosses" published in a great number of dioceses. The result was that Republican opinion, at first hostile to the "Dreyfusards" for patriotic reasons, finally placed itself entirely on their side and against the officers who desired to cast doubts upon "the supremacy of civil power," and against the Church allied with, or even the inspirer of, the Conservatives of every shade who sought an authoritarian government.

The Republicans denounced the alliances of "the sabres and the holy-water sprinklers," and in particular directed their blows against the Church, of whose organised and persevering action they were fully aware. To many nations and above all to those whose religion is completely separated from the State, French anti-clericalism is incomprehensible; but it is only a form of the secular struggle between the "whites" and the "reds," which, under diverse forms, has been perpetuated since the Revolution.

On all occasions when strife between capital and labour and the preoccupations of foreign politics allow some respite, and even during these times, this opposition has remained constantly the basis of French history: the opposition between Left and Right; opposition between the republic and authoritarian forms of Government based on the past. Since the introduction of universal suffrage, it is not too much to say that this struggle is found to exist in every French village. Men of independent means, lawyers, doctors, officials — all lead the Republican peasants in this struggle against the squire and the *curé*. The formulae are changed according to circumstances and facts; but the struggle remains the same from crisis to crisis. It is athwart this struggle, it must be understood, that the conception of the republic is consolidated and refined — a conception that France is anxious to establish and justify before the world.

A government of *Republican defence*, constituted for the defence of the *régime* against the factitious attacks of officers and partisans of bygone systems, and against the persistent hostility of the Church, the Waldeck-Rousseau Ministry had for its first task that of enforcing respect for discipline in the army. Those generals who protested against a revision of the trial were disgraced. Dreyfus was tried at Rennes (September, 1899), again

declared guilty, but with extenuating circumstances, by a verdict of five to two. The Government pardoned him, and the War Minister in an order to the army declared that "the incident was closed." The nationalist agitators were arrested and brought before the High Court; and Déroulède, found guilty, was exiled.

But it was chiefly against the religious associations, "against political monks and business monks" that the Government was most anxious to stress its policy of Republican defence. After 1899, a few months after its constitution, it brought forward a project concerning those monastic congregations partly formed or directed by foreigners — that is to say, against all religious associations which, from then on, would need a Government permit in order to exist. Waldeck-Rousseau declared that it was imperative to arrest the growth of property in mortmain, "instrument of domination to-day, war treasure to-morrow." He denounced the dissension which, according to him, was the result of the teaching of the monastic congregations. "In this country," he said, "whose moral unity has constituted . . . her strength . . . two distinct younger generations, less separated by their social conceptions than by their education, are growing up each unknown to the other. . . . Thus are gradually being formed two distinct communities."

MENACING ATTITUDE OF THE GOVERNMENT

After a year of struggle, the Government by the votes of both Chambers, passed the law of July 2, 1901, which established complete liberty in the matter of associations, but which nevertheless considered the constitution of religious congregations as a dangerous derogation of common right and justice, and which insisted on the authority of law in order to establish any congregation, and of a decree for each new association proceeding from an already existing congregation. Strengthened by this new weapon, which permitted him to watch, subdue or, if necessary, entirely suppress congregations, and desiring above all to rid France of those Assumptionist or Jesuit religious orders which had plunged into the fray, Waldeck-Rousseau methodically and with firmness set himself to conquer the resistance of the Church. Nevertheless, his policy was one of strict moderation.

But the elections of 1902 were soon to take place; the electoral campaign, after so long a struggle, would naturally centre around religious policies. Without possessing a programme common to each group, the various parties grouped themselves into two coalitions — that of the Right, composed of Conservatives, Progressives and Nationalists; and that of the Left, formed of Socialists with their doctrinal programme, of Radicals, partisans of the traditional democratic reforms (imposition of an income tax, reduction of military service to two years, disestablishment of the Church) and of the moderate Republicans of the *Republican Alliance,* who were hostile to the Socialist programme, but who remained supporters of Republicanism. The partisans of the Government were victorious; the coalition of the Left represented a total of 368 seats against about 220. Waldeck-Rousseau, ill and worn-out, resigned on May 28, 1902; but a radical Ministry was constituted under the presidency of Combes, a former seminarist, a former Minister in the Bourgeois Cabinet, a provincial soaked with the sentiments that the bitter struggle for the republic engenders in the provinces. It was his intention to continue the combat against the groups of the Right, the monastic congregations and the Church.

One of his first cases was to declare by means of a circular to the Prefects, "that the favours at the disposal of the republic should only be accorded

to those persons and bodies sincerely devoted to the administration." In this way he sought to ensure the cohesion of the Republican groups. Faithful to the spirit which had inspired the electors, he stressed the point that the struggle against the Church was to be throughout the republic, a struggle for the republic — a struggle between "whites" and "reds."

Parliamentary battles from that time onward became heated and continuous, frequently assisted by demonstrations of the Leagues, and even sometimes by street disturbances.

DRASTIC ACTION AGAINST THE RELIGIOUS CONGREGATIONS

The Ministry supported by its majority and by the popular parties, successively closed the schools which had been opened since July 1, 1901, exacted a permit from more than 3,000 schools which had been opened before the passage of that law and closed the majority of them as they refused to apply for the permit. Then it proceeded to demand and obtain from the Chambers the dissolution of 54 monastic associations (March, 1903) which, under the law of 1901, had applied for licenses. About 18,000 men were affected by this dissolution. The Ministry also rejected *en bloc* the applications of 81 convents for permits (June, 1903). And in spite of the financial difficulties which the closing of the schools involved, it took away from the members of the dissolved monastic congregations which had become secularised, all right to teach for three years in the communes in which they had been established.

Such actions could not fail to excite a vigorous attempt at resistance on the part of the Church and of all Catholics. Since the time of Napoleon, the Church and the State existed under the *régime* of the Concordat, an act which respected ecclesiastical authority, but which submitted the clergy to rules of public order, assured them of State emoluments and thus partially placed them under the control of the State. As a matter of fact, temporal and spiritual power had, under every *régime* during the nineteenth century, existed more or less in accord. In particular the Concordat entrusted the Government with the nomination of bishops and the Pope with their canonical institution. In fact the Government and the Holy See had always been in agreement on the nomination. But in order to show his hostility to this tradition and to the Combes Ministry, the Pope refused to institute the bishops, whom he wished to nominate also. In 1904, the publication of a circular that the Pope had sent to all Governments save that of France on the occasion of a visit of President Loubet to the King of Italy, which was offensive to the Holy See, almost brought about a definite rupture.

But Combes hesitated definitely to relinquish those rights of control and authority that the Concordat had enabled the State to exercise over the clergy. In spite of the radical programme on this point, he remained antagonistic to the idea of a complete separation between Church and State. But his Ministry was shaken first by vehement accusations directed successively against the Minister of the Navy, Pelletan, and the Minister of War, General André, and in January, 1905, it was obliged to resign, Combes not having dared to deal vigorously with this reform.

But just as great ocean storms force the waves upon the coasts, where the shifting deposits of sand and stones are durable witnesses to their work, the battle fought throughout so many years was to end in new laws and institutions which even their promoters had not foreseen.

The law of 1901 regarding associations, in establishing an organic statute of liberty in France, had gone beyond the narrow limit of the rules that the

militant monastic congregations had promoted. In the same way, the anti-clerical battle was to end, under the policy of conciliation that the next Ministry — the Rouvier Ministry — hoped to inaugurate, in the separation of Church and State.

THE STORM BURSTS

After long discussion, in which the Socialist, Aristide Briand, distinguished himself, the law of December 9, 1905, was voted. By this law, France broke officially with the system of Concordats by which the State gave official recognition to religion. It declared that "the Republic assures liberty of conscience, that it guarantees the free exercise of religious cults but that it does not recognise or pay or endow any cult." It resembled in a word the American system, leaving the organisation of religious cults to private enterprise.

The chief debates had dealt with the practical decisions that the application of these principles demanded. According to what laws should religious associations be constituted? How could the ecclesiastical hierarchy be maintained and respected within the laws? How, finally, could the property of the public ecclesiastical establishments, which were suppressed, be transferred to new associations?

Each of these questions was the object of violent struggles up to the end of 1908.

It was first of all a question of inventories. The law had prescribed the taking of inventories of the property of the Church. Some Catholics attempted a forcible opposition to this. Then by the *Vehementer* Encyclical, the Pope condemned the law and even the principle of separation. The legislative elections following in May, 1906 (elections in France take place every four years, and since 1900, no dissolution has ever disturbed their regularity), assured the Radicals, in spite of this agitation or perhaps because of it, of a decisive triumph. A Ministry presided over by Clemenceau was formed, which proposed to carry out the whole Radical programme.

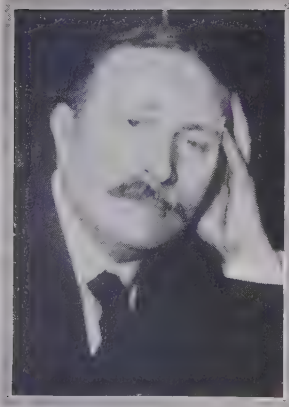
The political experience of Clemenceau was unique, and from an early period after entering the Chamber of Deputies in 1876 he had exercised in it a degree of influence surpassed by few.

This was the Ministry which had to handle the conflict raised by the Papacy, concerning the law of separation. And while it was breaking the last link between the Government and the Papacy by expelling the Chargé d'Affaires who had remained in Paris since the departure of the Papal Nuncio, it strengthened the law of separation by a whole series of additional measures. It allowed ecclesiastics to officiate in churches in their quality "of occupants without judicial right." It took possession of church buildings and handed them over to the state and the communes.

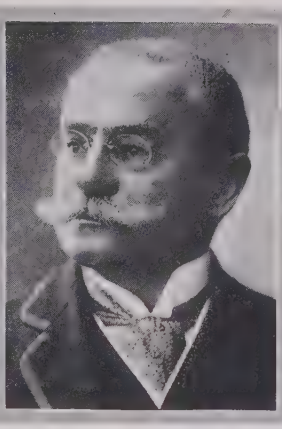
All these measures served gradually to accustom both Catholics and the whole country to the new *régime* of separation.

Thus, by means of organic reforms, and by a new conception of the relationship of Religion and State — that is to say, in a final analysis between the citizen and the State — was achieved that tremendous crisis which had its origin in the Dreyfus affair.

But true understanding of this crisis would be lacking and a false conception of its results would be established if the traditional conflict between Republicans and Conservatives be isolated, for it was merely an illustration of this crisis. As a matter of fact, those Ministries, whose chief activity was absorbed by these conflicts, were the initiators or supporters of the reforms which are the basis of democratic organisation.



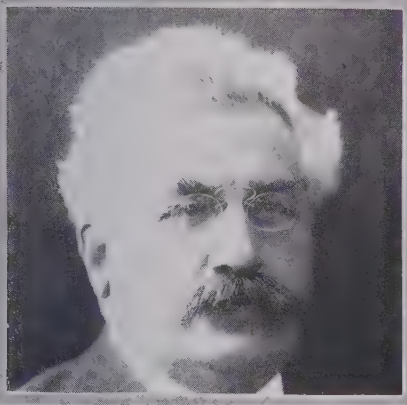
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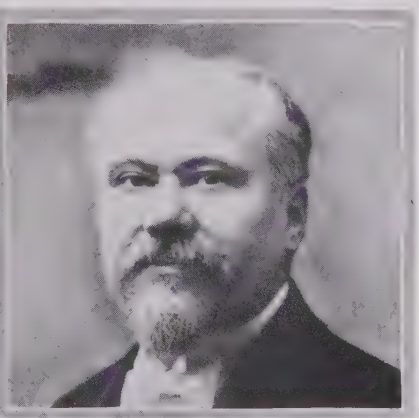
M. Delcassé.



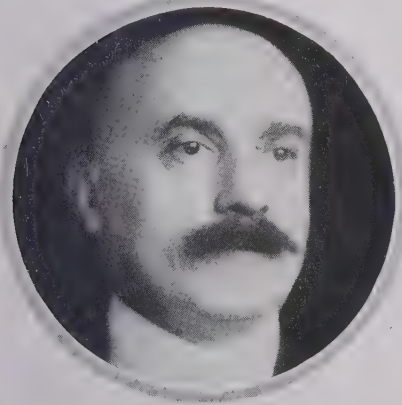
M. Paul Painlevé.



M. Alexandre Millerand.



M. Raymond Poincaré.



M. Joseph Caillaux.



M. Aristide Briand.

LEADING FIGURES IN FRENCH POLITICAL LIFE

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OTHER FAR-REACHING MEASURES

The same year that the law of separation was voted (1905) there was also voted — and after similar struggles almost as lengthy — the military law reducing the length of military service to two years and making it truly equitable by suppressing the dispensations that the law of 1889 had established for numerous classes of citizens. This law was a new step in the direction of the organisation of a national army. It tended to efface all that yet remained of the old professional army, the danger of which had been sensed at the time of the Dreyfus affair.

And again, in fiscal matters, "the ministries of republican defence or action" as they styled themselves, had re-adopted the principle of a progressive income tax in place of certain direct taxes established in the time of Napoleon. And in the same way, by the proposition for the repurchase of the Western railway or by new plans concerning mines, the Clemenceau Ministry, charged, by its majority of May, 1906, to continue the Republican policy inaugurated by the preceding Ministries, aspired to defend collectivism against monopoly.

Indeed, from the time of the Waldeck-Rousseau Ministry to that of Clemenceau, both by means of legal measures for the protection of labour and by the announcement of a system of pensions for old workmen, each succeeding Ministry gave proof that in the social domain it was allied to the labouring masses and that it counted on them in the great political struggle that they were facing.

The "Republican *Bloc*" — that is to say, the organised coalition of the Left against the Right in both the Chamber and the country — is not an accidental formation in France. The history of these eight or ten first years of the twentieth century reveals to what a point it has been bound to the traditional political life of the country for a century and how it is the very heart of its Constitution.

But at the very moment when the Republican *Bloc* had, in the domain of religion, achieved success, it was also, owing to the effect of social development, being torn by interior struggles and threatened with dissolution.

II. The Labour Problem, 1906–1911.

The Republican *Bloc* in Parliament was composed of moderate Republicans of the *Democratic Alliance*, of Radical groups, and also of Socialist groups, representatives of the labouring classes. This was the traditional grouping. At all period of crisis, when the Liberal *bourgeoisie* and the Republican artisans were engaged in battle against the conservative forces, the working classes had always — in 1792, in 1830, in 1848 and in 1869 — lent them their support. It was not merely on account of his glowing eloquence and his incomparable parliamentary tactics that the Socialist, Jaurès, was, from 1900 to 1904, the real leader of the Left; it was also owing to the social and political constitution of France.

France is not essentially an industrial state as England is, for example, and as Germany tended to become in her pre-war evolution. She remains for the most part an agricultural country. Industrially, she possesses an artisan class, many luxury crafts, and a large retail trade. Certainly, in her great mining and textile centres, she has not escaped from the modern phenomena of large-scale industry — the concentration of capital and enter-

prise and the syndical organisation of the wage-earners. But economically as physically and ethnologically, France is a land of "mingling, equilibrium and harmony."

The consequence is that from the sociological point of view, she has not, in the real sense of the term, a Labour party as have the great industrial countries. All of the many attempts that have been made to establish a purely working-class party or a Labour party in France have failed.

And for similar reasons, Socialism in France was originally political Socialism. It was an offshoot of the Republican doctrine. The formula often used by its theorists and propagandists is that "political democracy should terminate in social democracy," that "political equality to become real, should have as its complement or even its condition, social equality." This Socialism remains at bottom a reforming Socialism. It must consider the enormous dispersion of property which exists chiefly in agriculture, and also in the arts and crafts. But, if it is to succeed — if it is to realise its programme, it must also consider the aspirations and programmes of the rest of democracy and its struggle for liberty and political equality.

The word "Socialism" does not in France carry with it that disquieting meaning which, since the opening of the nineteenth century, it has acquired in America. Violent parties are known as "Anarchists" and "Communists," and for a long time past Socialism has been respectable in republican France.

Such is the explanation of the position which Socialism since 1900 has obtained in the Left *Bloc*, formed after the Dreyfus affair.

VARIETIES OF FRENCH SOCIALISM

To tell the truth, at the end of the nineteenth century the French Socialist forces were still in a scattered and embryonic stage. They formed a whole series of schools of thought and, it might even be said, of "chapels" or "sects." Their adherents were extremely divided. Some, the followers of Jules Guesde, a man of harsh apostolic character, attempted, by the application of Marxian doctrines, to establish at all cost a purely working-class party in the industrial centres — a class party, isolated from all others, and looking for, as a result of the inevitable industrial concentration, the possibility of a complete social revolution. Others, amongst whom was Edouard Vaillant, a doctor and philosopher of encyclopaedic information, were followers of Blanqui; and yet others, amongst whom was the workman Allemane, aspired to continue the working-class traditions of the Parisian Commune of 1871. These were, properly speaking, only revolutionary Republicans, faithful to the generous socialist traditions of the Parisian people. Others, again, preferred to take no part in the conflict but to dominate it by the force of their mentality. The schools of thought thus constituted, attempted to put an end to internal struggles and to harmonise the whole of Republican aspirations as well as the measures involved in the transformation of the *régime* of property to that of collectivism. Amongst these were found such men as Jaurès, Millerand, Viviani and Briand.

In 1896, at Saint-Mandé, Millerand had made a speech designed to formulate a minimum programme that could be defended by these independent Socialists in the Chamber and at the same time accepted by the revolutionary working-class parties. But the campaign for the reopening of the Dreyfus trial had put a stop to this first effort towards union. Jaurès, almost alone, had been sensible of the immense political reach of this campaign, and almost alone he had had the courage deliberately to hurl himself into it. Millerand, for some time, believed it prudent for Socialism to abstain

from this scuffle. The Guesdist working-class declared itself neutral in this war between two "bourgeois" parties. But the threats of military *coups d'état* that certain generals during the course of 1898 breathed aloud, led to the reunion of the Socialists in a committee of mutual understanding which had as its aim "the organisation for the republic of all the revolutionary and republican socialist forces." In the battle against the Right, Socialism made its presence felt; and with the same blow it realised the beginning of its unity.

Indeed, under various forms and up to the end of the Combes Ministry, and in spite of the doctrinal reservations of certain of its leaders, it was destined to be the firmest prop of the republic.

The first consequence was the entry of Millerand into the Waldeck-Rousseau Ministry, June, 1899.

Undoubtedly, the intransigents would accuse him of having placed his hand in that of the butcher of the commune — Galliffet, the Minister of War; undoubtedly he would be declared to be no longer anything but a "Socialist on leave," separated for the moment from his party. Undoubtedly, the Socialist Congress of 1899 would proclaim that "this participation of a Socialist in a *bourgeois* Government could be justified only under exceptional circumstances and that the whole forces of Socialism should be mobilised in opposition to the forces of the *bourgeoisie*." Undoubtedly, again, after the strike incidents at Chalon-sur-Saône in 1900, when the strikers were in collision with their union, the working-class Guesdist party broke away from the Socialist unity and, in 1901, at Lyons, the Blanquiste group with Vaillant did the same. This led to the formation of a *Socialist Party of France* (Guesde-Vaillant) and of a French Socialist party (Jaurès-Millerand). The majority of Socialist societies remained faithful in the ensuing battle; and Millerand, from 1899 to 1901, was able to accomplish in the Waldeck-Rousseau Government a task which proved the will of even the moderate Republicans to make an effort in the direction of social justice.

REFORMS IN LABOUR LEGISLATION

In August, 1899, various decrees regulated the conditions of labour in the public undertakings of the State, the departments and the communes. The *Conseil Supérieur du Travail* (Upper Council of Labour), created a few years before, was reorganised, and representatives elected by the working-class syndicates entered it. The system of inspection of labour was also reorganised. An eight-hour day was accorded in the postal and telegraphic service, and the law of March 10, 1900, established a ten-hour day in all those concerns in which men, women and adolescents were engaged. A plan for labour pensions was brought forward; but for two years during the Combes Ministry, the development of these reforms was not proceeded with, for the political struggle absorbed all energies. Until 1904, however, and in spite of the accusation hurled against the Government by Millerand (who had left the Socialist party) "of neglecting social legislation," the Socialists upheld the Combes Ministry.

BEGINNING OF THE SYNDICALIST MOVEMENT

But it is at this time that several new symptoms appeared.

In 1897 an important syndical movement had begun in France. This movement, in its general features, differed widely from English trade union-

ism. It was certainly not indifferent to questions of self-defence, to efforts to obtain better pay and better conditions of work. But the pure professional spirit existed chiefly in some of the great federations of the same trade, such as the Book Federation or the Mechanics' Federation. But district by district, the working-class syndicates converted themselves into *Bourses du Travail* (Labour Exchanges) which united the local syndicates of different trades. Several anarchists — some of them, such as Fernand Pelontier, very remarkable men — then created a Federation of *Bourses du Travail* and endowed it with a political doctrine.

By virtue of this doctrine, the working men grouped in these trade organisations must neglect the conquest of political power by electoral methods, such as the Socialists had urged. Class organisation, syndical organisation by means of partial strikes, would result in a general strike, deliberately brought about by the mass of workers, and one which would transform society more certainly than could parliamentary action.

The syndicalist propagandists declared themselves partisans of direct action, of direct pressure by every means — strikes, boycotts, sabotage exercised on masters and on the State. They declared themselves anti-militarist and preached from the housetops a general strike in case of war. Georges Sorel, an engineer and philosopher, became the theorist of this doctrine of *revolutionary syndicalism* as opposed to *reforming syndicalism*, which democratic Governments, and particularly at the moment of Millerand's measures, sought to encourage and to solidify.

In 1902, the *Confédération Générale du Travail* (General Labour Confederation) which had been founded in 1895 at Limoges by the *Bourses du Travail*, was reorganised as a result of the union of the *Fédération des Métiers* (Federation of Crafts and Trades) and the *Bourses du Travail*. The revolutionary syndicalists possessed a majority in it and set to work to win the new organisation to the adoption of revolutionary methods.

This syndical movement, even under this political form — so different from that prevailing in general in other countries — originated in the French industrial development of the first years of the century. The theory of Sorel and of some intellectuals who supported him would not have become a political force if new economic circumstances had not developed.

In this economically well-balanced France, where social classes are mixed and interpenetrate, as has been briefly described above, modern industry, since the end of the nineteenth century, had greatly developed. In 1896 the number of wage-earners in industry and transportation was 3,304,000. In 1906 this number rose to 3,871,000, mostly concentrated in increasingly large establishments. In 1896, 36% of the workers were found in concerns employing from one to ten people. In 1906 the same concerns employed 32% of the total number of industrial workers. From 1896 to 1906, the number of workers grouped in establishments employing more than 100 people rose from 1,124,000 to 1,542,000.

An inevitable consequence of this evolution was, as in all other countries, a new development of labour organisation.

The reform policy of the Republican *Bloc* and, in particular, of the Socialist reformers, was added to this natural consequence. It is calculated that during the time of the Millerand Ministry, the number of syndicalists rose from 419,000 to 588,000.

The precise and often subtle distinctions that the leaders drew between purely professional defensive action and general syndicalist political action as often as not did not exist in the popular mind. Indeed, a vast movement was leading the labouring world — or at least that part of it which acted politically, together with the leaders of the Socialist parties — towards

a greater independence in regard to all the *bourgeois* parties, which were considered as representing interests opposed to those of the organised labouring class, and towards tactics, if not of total isolation, at least of separation from the coalition of Republicans and Democrats of which they formed a part.

Here again we witness the repetition of those alternative movements which, during the course of the nineteenth century, had several times been reflected in the evolution of French ideas and parties. Between two periods of crisis of Republican defence or of Democratic struggle, sometimes by political ideas, and sometimes under the pressure of economic facts, the Labour or Socialist groups were thus isolated from the other advanced parties of democracy.

The man who, since the opening of the Dreyfus affair, best symbolised in all its unity and in spite of its dissensions the aspirations of the French working masses, was Jaurès. He understood the drift of affairs and decided to break away from the Left *Bloc*. He did so, but he did not, as has so often been said, surrender to the intransigent resolution of the International Congress of Amsterdam, when the Socialist parties of every country, favouring a formula adopted by the German Socialists in 1903 at Dresden, condemned those "attempts at revision which tended to replace the proved and magnificent tactics founded on class warfare by a policy of concession to the established order of things." As long as he believed in the necessity of holding together the various democratic groups, Jaurès continued to support the Combes Ministry. But when, as the year 1904 was drawing to its close and the Democratic majority was found to be decreasing, Jaurès, who was both an exceedingly clever politician and a realist, understood that in one way or another this newly-arisen situation must be reflected politically, and that by means of unity between the various factions of Socialism, a political expression and political action for this purely labour movement — a movement that he had always followed with the closest attention, greatest interest and frankest sympathy — must be sought.

In 1904, again, a few weeks after the International Congress at Amsterdam, there took place at Bourges a Congress of Syndicates, which for the first time revealed to the general public the new strength of the *Confédération Générale du Travail*. The Congress had resolved to start a vigorous agitation, based on that which took place in America in 1886, in favour of the eight-hour day. On May 1, 1906, the day fixed in Europe as Labour Day, the *Confédération Générale du Travail* invited all workmen to work no longer than eight hours.

In 1905, in order to facilitate the passage of the important laws concerning military service and the separation of Church and State, the Socialists supported the Rouvier and Sarrien Ministries against the Right. But Socialist unity between all the political groups, realised at Easter, 1905, by the formation of a sole Socialist party, together with the isolated electoral policy of this party in May, 1906 — a policy frequently directed against the Radicals — were to lead to a bitter struggle between the Clemenceau Ministry and the working masses.

The three years during which M. Clemenceau was Minister of the Interior and later President of the Council in the Sarrien Cabinet, were entirely occupied by these struggles. The Radical chief of the party, who, in the early days of Radicalism, had made the most violent attacks against "bourgeois society" in defence of the wage-earners, refused either to consider or admit the new professional movement or to recognise in their often violent agitations the profound aspirations of which they were the natural expression.

VIOLENT DISTURBANCES IN THE LABOUR WORLD

Formidable strikes of miners in the north, following on the catastrophe of Courrières, in March, 1906, led to such violent incidents in connection with the strikers' affiliation as the following: before May, 1906, the arrest of the Secretaries of the *Confédération Générale du Travail;* in June, a complete rupture in the Chamber between the President of the Council and Jaurès; prohibition of manifestations in favour of a weekly holiday; sensational strike of electricians in Paris, which plunged the capital in darkness; strike of naval conscripts; bloody strike of the terrace-workers of Draveil and Villeneuve (1907); general strike of the building industry following on new arrests of members of the Confederation; disturbances of the vine-growers of the south, who complained of no longer being able to cover their cost of production in view of the fall of wine prices — disturbances at first tolerated, but which later brought about arrests and police action, and even led to the mutiny of an infantry regiment sent to quell the agitators; agitation of officials who criticised the *régime* of favouritism under which they worked, or even the incompetency of certain of their chiefs; disturbance of teachers who claimed the right to establish a syndicate and to belong to the *Confédération Générale du Travail;* double strike of the postal employes, followed by hundreds of dismissals (1909). The battle between the working masses, their nerves on edge, torn by all kinds of new ideas, and the Radical majority, supporters of order and authority and fearful of compromising the realisation of its programme of reforms in provoking reactions, was interminable.

Discussions of the project for labour pensions; the vote for the repurchase by the State of the railway system of the Western Railway Company, which was badly run; and, finally, the vote in the Chamber of an income tax — all this appeared to be an entirely insufficient compensation for a policy which the Socialist working-class opposition did not hesitate to denounce as a policy of repression. Clemenceau was violently attacked for his policy of reaction.

But the movement went even beyond the men. In spite of the fact that the Briand Cabinet, on its formation after the fall of Clemenceau, in July, 1909, outlined a policy of social welfare, in October, 1910, the railway strike broke out — a professional movement which was originally caused by the low pay and indifferent working conditions of the railway workers, but which, in interrupting the public transportation service, appeared to the Government to menace the security of the State. The Government accordingly determined on a general mobilisation of the workers and all railway men of military age were called to the colours.

Up to the end of 1911 campaigns for the reinstatement of the men dismissed on the occasion of this strike, fresh disturbances such as that of the Building Federation, and, finally, new anti-militarist propaganda, continued to demonstrate the strength of the movement, and it was thought that important social changes would take place in the near future.

But the Radicals, the Democrats who, on occasions, had appeared to be tempted to widen their doctrines to the point of adhering to a moderate type of Socialism, now became more hostile in their attitude to the labour masses. And it is in this opposition of the Radicals and Socialists — a consequence of all the new social claims — that one must look at least in part for the origin of a new movement of political reform — that of proportional representation, which from 1909 to 1914 occupied the attention of Parliament and the parties.

DRASTIC ELECTORAL REFORMS

After 1889, the ballot system in France was by *arrondissement* (district). Following on the Boulanger movement, the Republicans had abandoned ballot by list, which was not without its dangers. The system of ballot by *arrondissement* carried with it two consequences. On the one hand it limited the fight and gave it a local character. The "parish fights" between "whites" and "reds" were thus clear and vigorous. The majorities which after 1900 existed in the Chamber were the outcome of these struggles. But, on the other hand, the use of the second ballot by any candidate who had not obtained an absolute majority with the first, necessitated alliances of the candidates of various parties of the Left against the candidates for the Right. The policy of the *Bloc* had its root in the electoral coalition of the Left.

Now, after the separation of the Church and the State, which marked the conclusion of the anti-clerical struggle, not only the Conservatives, but also the moderate Republicans thought that as new questions had arisen (in particular those social questions which disquieted certain Democrats as much as the Conservatives) it was not desirable to perpetuate governments or coalitions of parties which rested on unstable bases. The policy of the *arrondissement* ran the risk, also, of being reduced to personal conflicts. "A purer and wider wind should blow above the stagnant little marshes of the *arrondissement*," said Aristide Briand. On the other hand, the Socialist party, anxious to constitute and maintain its unity and isolation, sought a ballot system which, without compromising the Republican forces, could give it the assurance of an equitable representation founded on its own programme.

This led to the proportional representation campaign, which, although it was directed by men of every party, found its chief support in the parties in opposition. The Government party, a Radical party, was more or less hostile to this campaign, since it was possible for the new system to endanger the balance of which it might have need on the Left for the re-election of its deputies or the maintenance of its majority.

Perhaps the establishment of proportional representation, carried out under these conditions and at this hour, would have constituted that organic reform which, after all the social conflicts of the first years of the twentieth century, ought to have marked the opening of a new evolution. Proportional representation should have permitted, at the end of some years' experience, a clearer and more accurate representation of the classes of the nation. It should have given a clearer political expression to the aspirations of all. It should have permitted the realisation of reforms, inspired by the idea of justice, between the various social classes. But the struggle which took place between those in favour of proportional representation and the adversaries of electoral reform dragged on from Ministry to Ministry, between the Senate and the Chamber, from 1910 to 1913. And at the end of 1912 other problems were already absorbing men's thoughts. It was no longer a question of deciding to what political party the Government of the nation belonged or of knowing what share of it was due to the working-class. The relations between the European nations became more strained every day and the menace of war darkened the horizon. The Socialist leaders themselves were conscious that the most desired reforms, whatever they might be and however moderate, could not possibly be carried out if the *régime* of armed peace endured and if the people were not freed from the burden which weighed on their daily life.

III. National Security, 1911–1914

During the first years of the twentieth century, it had appeared that the establishment of normal, if not cordial, relations between all the European peoples was on the point of easing the *régime* of armed peace which had been imposed on the Continent after the war of 1870, and of removing — perhaps forever — the horror of war from all its peoples. At the end of the nineteenth century, indeed, during the years 1899 and 1900, important progress in this direction seemed to have been made.

Although in the years immediately following the Treaty of Frankfort, 1871, French minds were haunted by a desire for revenge and by the fear of a new German invasion, this double thought had since begun to lose its sharpness. Certainly, the idea prevailing in 1871, that it was contrary to justice that populations, "treated as cattle," should be torn, against their will, from the nation to which they voluntarily belonged, remained the firm conviction of apparently all Frenchmen. And the protest of the Alsatians and Lorrainers — a protest continued in spite of all the necessities of daily life — would have sufficed to support this belief. But those Frenchmen whose over-excited patriotism could, even at the time of the Dreyfus affair, imagine a war of aggression, constituted only a small minority. The majority of the people dreamed of a peaceful reparation of Germany's crime. They dreamed of a development of European democracy which would terminate in new solutions, by which Alsace-Lorraine would be enabled to participate again in French life, or returned in exchange for a colony. All lulled themselves in the hope which Gambetta had formulated "of immanent justice."

On the other hand, after France's hard years of total isolation following on the constitution of the Triple Alliance — a defensive alliance of Germany, Austria and Italy, of which the consequences might be aggravated by the conflicts which might break out with England on the other continents — the French had lulled themselves into some idea of security, for in 1891 negotiations for an understanding with Russia had been begun and had ended in 1894 in the Franco-Russian Alliance.

A precarious Continental equilibrium, founded on the existence of 12,000,000 armed men, was the result of this opposition of the Double *Entente* and the Triple Alliance.

More than that, since 1891 the new German Emperor, William II, breaking with Bismarck's policy, which had been hostile to all expansion, had adopted the idea of *Weltpolitik* — of a German world-policy, founded on a strong navy and in an almost fatal opposition to England. About 1895 he had sought, through the good offices of Russia, a *rapprochement* with France, and French warships had been present at the inauguration of the Kiel Canal. A policy of Franco-German *rapprochement* would probably not have gone very far before the inevitable question of Alsace-Lorraine was raised; and the various tentative appeals to public opinion, which had been made at this time, met with little response in either country.

But a few reciprocal diplomatic attentions between the two countries in regard to Eastern affairs had at least brought about a pause. It was at this time, in 1899, that the Tsar had invited the Governments of the world to take part in a Conference at The Hague with a view to the limitation of armaments. The objections of Germany prevented this conference from establishing a proportion between the military forces and the population of each state, but at least it made several new rules concerning the usages of war and created a Permanent Court of Arbitration at The Hague. For the first time, Léon Bourgeois, on this occasion, referred to the "League of Nations."

FRENCH COLONIAL EXPANSION

Nevertheless, there was still a cloud hanging over France's foreign policy. This was the menace of colonial rivalry with England and the numerous conflicts to which it could give rise. Here again France was confronted with one of the ancient struggles of her history — a struggle to which her geographical nature condemned her. France is a maritime as well as a continental nation, and the ocean winds call from afar to the hardy dwellers on her coasts. In the eighteenth century, France, time and time again, hesitated between a continental and a colonial policy. Grievously tried in 1871 on the Continent, she again turned instinctively to the sea — not owing to any suggestion of Bismarck, but because of the audacity of her people and the adventurous spirit of her officers and civilians who desired her to widen her over-seas empire.

Jules Ferry, ignoring insults and injustice, made a colonial policy successful in France. At the opening of the twentieth century this task was coming to an end. France had strengthened her empire in Northern Africa; she had stretched her territories into Darkest Africa; she had united the Congo with Algeria, across the Sahara and French Sudan; she was colonising Indo-China; she was established at Madagascar. In this work she had won more than wealth and territory. She had raised her "conquered soul." She experienced a new sense of pride and felt herself capable of great things. These sentiments calmed the anxiety of the country.

Nevertheless, France had met with all sorts of rebuffs in America, in Asia, in Oceanica and above all in England. In 1898 the two countries narrowly escaped a serious conflict when Captain Marchand hoisted the French flag at Fashoda before the arrival of the British troops. But here again the early years of the twentieth century witnessed a happy progress. Delcassé, who was for seven years Minister of Foreign Affairs (1898–1905), was responsible for a *rapprochement* with England. The Convention of April 8, 1904, settled all disputed questions between the two countries. At the same time a *rapprochement* with Italy was accomplished. It seemed as if those who sought to multiply and bind a system of alliances between one another and to establish, in a spirit of mutual understanding, an atmosphere of peace at once more solid and less crushing, had everything to hope for.

But whatever the pacific feeling of the nations and more particularly the apparently unanimous sentiment of the French, and whatever the hesitations of most of the Governments face to face with the idea of an armed conflict in western Europe, deep rivalries and warfare were nevertheless to tear the world during the ten years which were to follow.

Owing to her high birth-rate, Germany's population rose from year to year. Her industrial development was enormous. German public opinion came to the conclusion that Germany needed outside expansion. She was jealous of France, particularly of France's possessions in North Africa. The preponderance which she had enjoyed since 1871, the hegemony which in certain moments of Bismarckian triumph she had exercised, led her to believe that the development of her industrial strength could be neither pacific nor conciliatory. On the other hand, and for the same reason, she could not tolerate the idea that in Eastern affairs, in the conflicts between Turkey and "Slavism" — that is, the Christian nations supported by Russia — her authority should be questioned and that her ally and accomplice, Austria-Hungary, should be hindered in her ambitions and in her push towards Salonika.

Moroccan and Oriental affairs occupied the attention of European diplomacy from 1905 to 1914, and it is because these questions were not settled in accordance with German ambitions that Germany determined on war and precipitated the ensuing catastrophe upon a world desirous of nothing but peace.

GERMANY'S DIPLOMATIC MISCALCULATIONS

There must be noted here, in a succession more than a little irritating for her, Germany's list of mistakes.

Let us first turn to Morocco. By the Convention of April 8, 1904, England, as a compensation for the abandonment of French claims on Egypt, had acknowledged France's preponderating influence in Morocco. Germany, at the time, offered no objection. In 1905, at a time when Russia was weakened by her defeat in the Russo-Japanese War and by interior troubles, William II landed at Tangier and, with theatrical gestures, proclaimed that he considered the Sultan of that country as an absolutely independent sovereign. This was his manner of announcing that he did not recognise France's special rights in Morocco.

A few days later, the German Chancellor declared in the Reichstag that he would invite an international conference to settle the Moroccan situation. Delcassé, supported by England, did not desire the conference. War seemed almost certain. The French Cabinet decided to accept the principle of the conference. Delcassé resigned. The French Government and French opinion desired peace. The German Government believed that it had won a victory.

But the Algeciras Conference proved to be a stern rebuff for Germany. France, supported by Russia and England, which influenced even Italy, obtained the recognition of her preponderant rôle in the organisation of banking and of the police.

The nations again gave proof of their desire for peace, and they imposed their desire on their Governments. In 1907, William II himself appeared to have cooled down, and once more was anxious for a *rapprochement* with France. A second peace conference took place at The Hague and completed the work of the first. In 1908 France, England and Russia marked their accord by diplomatic manifestations; the Triple *Entente,* a little unsteady, stood opposite the Triple Alliance as a balance and a force for peace, but not as a measure for war.

Germany, however, complained of a policy which tended to encircle her. Possibly this was merely the idea of a few; but German opinion feared an obstacle to her economic aspirations in this system. Once more, difficulties began to appear upon the horizon.

Owing to the nearness of Algeria and as a result of the rôle which was awarded to her since the Algeciras Conference, France found herself involved in internal disturbances in Morocco and was gradually forced to send occupation troops there. Each year brought fresh conflicts with Germany; in 1908 there was a question concerning German deserters in the French Foreign Legion; in 1910, after an effort for a Franco-German economic *entente,* there was a difficulty concerning the Moorish railways; in 1911, when the French troops entered Fez there was a fresh protest from Germany, and a demand for compensation in the Congo. On July 1, 1911, under the pretext that German nationals were threatened by the natives in the region of Sous in Morocco, a German gunboat anchored in Agadir.

A threat from England and the wise peaceful policy of Caillaux, the French President of the Council, terminated in a convention, November 4, 1911, which recognised France's protectorate over Morocco and reserved

merely economic equality — "the open door" — for all countries. Germany obtained in the Congo only "the duck's bill" — two huge points of territory which allowed access to the Cameroons in the Congo by crossing French territory.

All this was a new and cruel blow for Germany. The Minister of the Colonies resigned. From the beginning of 1912, in many circles, the spirit of war reared its head.

In the east, Germany, supporting and inspiring Austria, was no more fortunate. In 1908, no doubt owing to the Young Turk Revolution, the Austrian Minister, Aehrenthal, decided to annex Bosnia-Herzegovina, with the administration of which Austria had been entrusted in 1878; and Russia, after having requested, in her irritation, the convocation of a conference, was forced to abandon this idea when Germany opposed it. Serbia had to content herself with a vain protest. There is little doubt, too, that in the Young Turk Revolution, it was Germany who had charge of the instruction of the army. But in 1912, the Christians in the Balkans — the Bulgarians, Serbians and Greeks — under the guidance of Russia, came to an understanding and attacked Turkey. Their victory was celebrated by Russia and France as a check to Germany, October, 1912.

When peace, after many vicissitudes and following on the victory of the Serbians, Greeks and Rumanians over the Bulgarians, June, 1913, was definitely concluded, the growth of Serbia barred from Austria the route to Salonika for which she had always hankered.

MEASURES TO INCREASE NATIONAL SAFETY

It was then that the extreme anxiety regarding exterior security arose in France. After the Agadir crisis, the Commission on Foreign Affairs in the Senate refused to accept the concessions made by Caillaux to Germany in order to obtain the Moroccan protectorate and above all to keep the peace, January 10, 1912. A new Ministry, which had been constituted under the presidency of Poincaré, declared that it did not wish "to leave France unprotected in the midst of other nations" and that it desired "to give a sentiment of security to the country." Millerand, the Minister of War, was occupied in strengthening the army. When, on January 17, 1913, Poincaré was elected President of the Republic, he indicated, in his presidential message, that it was possible for a nation "to be efficiently pacific only on condition that it is always ready for war."

In February, a Briand Cabinet, which succeeded the Poincaré Cabinet, learned that the German Government was preparing a project for extra credits amounting to a thousand million marks to be spent on the equipment of the German army. The standing army was to be raised to 815,000 men and provided with new equipments. The reason was that Austria was menaced "by the recent victory of Slavism" and might need support. On March 5, following on a consultation of the *Conseil Supérieur de la Guerre* (War Council), and without waiting for the German plan to be placed before the Reichstag, the French Government introduced in the Chamber a law extending the length of military service to three years.

In March and April, incidents on the frontier, at Nancy and at Lunéville, irritated German opinion. The Press of the two countries became heated. The Socialists who, in 1912 at Bâle, during the Balkan War, had already attempted to voice the pacific feelings of the labouring classes, made a new attempt to band themselves against this agitation. In May, 1913, at Berne,

a meeting of French and German deputies voted a pacific resolution which consisted chiefly in an appeal to arbitration.

But if the Socialists were attempting thus to utilise their international relations in order to strengthen the peace movement, they were none the less preoccupied with the problem of national security. In the heated discussion on the question of the prolongation of military service, which lasted until July, together with many Radicals they opposed this prolongation. They criticised the project of the Staff and of the Government, not from an anti-militarist point of view, but strictly from that of the more or less powerful military force which would thus be placed at the disposition of the country. Jaurès, for several years past preoccupied with military questions, had in his book *The New Army* cried aloud for the defence of France by the armed nation. In this way he claimed to push her defence force to the utmost limit. From the time of the debates on the reorganisation of artillery equipment, which in the early months of 1914 followed the vote on the military project, the Socialists again participated in the discussion for the purpose of demanding indispensable improvements.

The discussions which took place during the whole of 1913, in spite of their bitterness, served to prepare the whole country for an understanding of the menace which hung over it and the necessity of meeting it.

In May, 1914, the elections which took place seemed to indicate a reconstruction of the Republican *Bloc*. The struggle against the tendency towards reaction which, from the Democratic point of view, was represented by a prolongation of service in the regular army, as opposed to the system of an armed nation, had again drawn together Radicals and Socialists. The new financial burdens which, as a consequence of military credits, would weigh upon the country, made the desire for Democratic taxation reform all the keener. The idea of a levy on capital was advanced against that of new loans. Possibly a persevering effort lasting several years would have finally calmed the anxiety of the nation and given it a military organisation that was powerful and yet in conformity with Democratic aspirations. But the time was too short. In June, 1914, the Archduke Francis Ferdinand was assassinated and war was on the point of breaking out. France, at least, was not surprised. She had been uneasy for many years past.

To other writers in this work will fall the task of tracing the beginnings of the war, describing its vicissitudes and explaining the provisions of the Peace Treaty which ended it. But the history of the first fourteen years of the twentieth century demonstrates beyond a shadow of doubt the constant peaceful intentions of France. Her colonial policy, her Moroccan policy in particular, may be open to criticism. More cleverness, a more precise knowledge of adversaries, and also a more conscientious moderation were demanded by the opposition. France sought constantly to avoid a devastating conflict.

It has been proved that up to the moment when hostilities broke out France sought to avoid war. It is this which in the war itself was her strength, and it is this which constituted her unity at the hour of her mobilisation.

On August 4, 1914, when the French Parliament met to hear the Government communications and to vote war credits, the message of the President of the Republic recalled the fact that during forty years France had silenced her desire for reparation for the wrong of 1871 and that she had done all she could to avert a war. The *union sacrée* (sacred union) of all parties was proclaimed. Jaurès had been assassinated on July 31, by a madman acting under the influence of nationalist passions. The Socialists crushed their desire for vengeance and gave their full support to the Government.

Here, again, was one of the profound and ancient sources of French

strength which now revealed itself once more. None of the differences, none of the most violent political struggles had ever been able to achieve that unity which constitutes the basis of the whole of French history. No theory of peace, no idea attempting to place the solidarity of classes above national solidarity was introduced at this hour. With one instinctive impulse all the French people whose unity had been cemented of old by invasion, rose once more to face the invader.

IV. France at War, 1914–1918

Four years of unexampled warfare, accepted deliberately by the whole nation, were to absorb into the ranks of the army all men capable of fighting; to associate the whole population — even old men and women — in the same effort of defence; to engulf the patrimony of past generations; to pledge even the future in the safeguarding of the existence of the nation. How would these years react on the political, social and moral evolution which followed after the opening of the twentieth century and which we have briefly described? What was the inner history of the French people from 1914 to 1918?

There are three problems which at various times have stood out from national preoccupations since 1900: the *political problem* of the definite establishment of the republic and democracy against the hostility of the Church and the partisans of bygone *régimes;* the *social problem* of the condition of wage-earners and the place in the nation to which the labouring class aspired; the *problem of national security,* which last was for four years to occupy exclusively all minds. All other preoccupations, all other tendencies were lost in the eddy of a tempest such as no people had ever known before.

Nevertheless, the historians of the future or those at least who will be anxious to discern the continuity of movements and ideas, temporarily broken, will have no difficulty in recognising that the pre-war movements, effaced and veiled, remained nevertheless more or less alive even during the tempest, to be reborn with greater strength at the conclusion of peace.

Politically, the Chamber elected in 1914 was a Left Chamber. The Ministry, which it accepted a few weeks before the war, was presided over by Viviani and received its confidence because it was "a government capable of realising the union of the Left parties." At the declaration of war, national union was substituted for party politics. Clericals, Protestants and Jews, Royalists, Conservatives, Radicals and Socialists were all equally ardent in the defence of the country. All even aspired to be in the thick of the fight, some because of the traditions which bound modern to ancient France, and others because of the social and political ideal of which France seemed to them to be the symbol. Following on the first successes after the victory of the Marne, when it was proved that united France could resist the "irresistible" rush of the German attack, these last could with justice boast of having given France those military institutions which had saved her. "France," said General Joffre, "has reason to be proud of the armies that the republic has given her."

RIGID WAR MEASURES

All the war Ministries — the Viviani Ministry, the double Briand Ministry, the Ribot, Painlevé and Clemenceau Ministries, were constituted on the basis of the *union sacrée* (sacred union). All had as their unique object, accord-

ing to the formula that Clemenceau proclaimed, the desire to "make war." Measures of internal politics which were passed were dictated only by the necessities of war. These included the laws of August, 1914, concerning the state of siege, the censorship, the security of the State, the laws concerning recruiting and the utilisation of mobilised forces (such as the law proposed by Deputy Dalbiez in 1916), the income-tax law, voted by the Senate, the economic measures by which the State attempted to organise the acquisition and distribution of the provisions necessary for the feeding of the country, as well as measures of political repression against the newspaper *Le Bonnet Rouge*, suspected of having received enemy money; and those measures of the Clemenceau Ministry which sent Malvy, a former Minister of the Interior, to trial (August, 1918), accused of weakness in his policy towards agitators at home, and which prosecuted the former President of the Council, Caillaux, accused of having entered into relations with the enemy. No other motive was given for all these measures than the necessity to "make war."

TRADITIONAL HOSTILITY BETWEEN LEFT AND RIGHT

But it will suffice to take them one by one and to analyse all the parliamentary debates which preceded them or which influenced the constitution of the successive Ministries, in order to find at least some trace of the old, profound hostility which separated the Right and the Left or, if it is desired to go deeper, to find the two tendencies which traditionally torment the French mind: that which consists in subordinating all internal preoccupations to the absolute idea of security and national greatness, and that which, since the French Revolution, seeks the indissoluble union of love of country with love of the Republican and Democratic ideal.

When, for example, during the course of 1915, the deputies of the Left were in conflict with Millerand, the Minister of War, suspected of having followed too strictly all the suggestions of the military chiefs and of not having sufficiently emphasised the supremacy of the civil power, they were under the influence of the second tendency. When the greater part of public opinion supported Clemenceau without reserve in his repressive measures, it was following the purely nationalist tendency.

The electoral reform of 1919 was a compromise between these two spirits. It substituted for the *régime* of *scrutin d'arrondissement* (ballot by *arrondissement*), dear to the majority of Radicals, a *régime* of *scrutin de liste* (ballot by list) with a kind of proportional representation. But it weakened the exact proportional representation by a system of premiums on both absolute and relative majorities.

At the elections of 1919 it was proposed to establish a National *Bloc*, which should unite all those who wished to perpetuate the policy of collaboration between all parties inaugurated during the war. The Socialists and a great number of Radicals were opposed to this policy. The National *Bloc* carried the day by a large majority. But the bodies which were elected by the old system (Municipal Councils, General Councils, Senate) kept their Left majorities. After the obscure and sometimes scarcely outlined struggle of war-time, the tendency towards the *union sacrée* and a *rapprochement* of parties was, temporarily at least, victorious. Nevertheless, the other tendency reappeared full of strength.

It was the same thing in regard to social problems. Here again all the struggles which had overwhelmed France during the years preceding the mobilisation disappeared, Socialists and Syndicalists demonstrated unanimously that they were ready to accomplish their duty to the nation. Jaurès,

as we have seen, was murdered on July 31 and it was around his coffin, according to the phrase of Deschanel, the President of the Chamber, that the union of all Frenchmen was sealed. On the day of his funeral Jouhaux, General Secretary of the *Confédération Générale du Travail,* declared that all Syndicalists would unanimously respond to the order of mobilisation. A few years before, measures had been prepared to arrest the revolutionary chiefs and anti-militarists on the eve of mobilisation. The Government decided, however, not to apply these measures. A Committee of National Assistance was constituted in Paris for the distribution of help to the unemployed and to the parents of the mobilised men. Jouhaux and several militant Socialists were invited to join it.

When the French army met with its first check at Charleroi, the Viviani Ministry was reconstituted. Two Socialists, Guesde and Sembat, entered it. Later, a third Socialist, Albert Thomas, was chosen Under-Secretary of State for Artillery, and later Minister of Munitions. He remained in the succeeding Ministries until September, 1917.

For two years no labour claims were formulated. No agitation took place. While strikes broke out in England and even in Germany, there was not the slightest threat of a strike until July, 1916.

PEACE MOVEMENT WITHIN THE SOCIALIST RANKS

But here again, heated ideas or material conditions which, before the war, had led to so many conflicts, were not completely abolished by the preoccupation of national defence. And more than this, the very necessities of a long war were destined to excite pacifist opposition, and the formidable industrial effort necessitated by the manufacture of munitions and war material strengthened almost automatically the social position of the labour world.

It was in this way that at the latter end of 1915, in the heart of the Socialist party, an opposition became apparent. It was soon known as a minority opposition to the policy of national defence proclaimed by the party.

It had no doubt been recognised by all Socialists without exception that at the opening of the war, France had been attacked and that it was a matter of deepest importance to universal democracy and to Socialism that German militarism should be beaten. But the Socialist party could not completely forget its international scope of pre-war days. It could not forget that it had proclaimed that peace was the supreme desire, above all for the masses. To the idea of just and equitable peace that the Government declared to be alone acceptable, there was opposed the idea of a hasty peace that would spare all nations from numerous miseries and cruel losses.

At Zimmerwald, September, 1915, and at Kienthal, April, 1916, French Socialists and Syndicalists met in conference with German and neutral Socialists. It was only with the greatest difficulty that in the party congresses a majority was maintained until 1918 in favour of a policy of national defence.

On July 30, 1918, the pacific minority became a majority. Those in the majority, like those in the minority, ever since the moment at the end of 1916, when the problem of the definition of war aims was presented by President Wilson, voiced their desire for a peace founded on justice and one which according to definite principles would effect a reconciliation of all the nations.

It is to the honour of the French Socialist party as a whole that during the course of the war, it was the first to undertake a systematic campaign in favour of a policy based on a League of Nations.

ASTONISHING GROWTH OF SYNDICALISM

At the very moment that the Socialist party ceased to have any direct influence on the councils of the Government, in 1917, the French Syndicalist movement acquired an authority and a degree of influence hitherto unknown. This increase of influence was the result of the development of war industries. In the factories there had been gathered thousands of workers. Obeying a sort of instinctive movement, which manifested itself at the same moment in the labouring classes of almost all of the warring countries, these wage-earners united. The number of syndicalists who in France before the war had never reached more than 600,000 men and women, now rose to about 2,000,000. There was no need to exert any sort of pressure on the masters of the Government for the purpose of obtaining ameliorations. Not only were they granted immediately owing to the necessities of national defence, but even the masters recognised the fact that the labouring classes ought to be recompensed for the intense activity that they displayed during the war.

It is from this movement that there emerged at the time of the peace negotiations, the important organic reforms — in particular the law establishing the eight-hour day — and the labour clauses inscribed in Part XIII of the Peace Treaty (Labour Charter, International Organisation of Labour), and finally the idea of founding in France an Economic Council, endowed, from the executive point of view, with a certain amount of power for the purpose of accomplishing big social and economic reforms.

But here again the opinion — an outcome of the war — that the solution of social problems, as of political problems, should be subordinated to the preoccupation of national security, was destined to carry the day. And the belief, not shared by the workmen, that the country could not find in a policy of social justice that interior and exterior force that it demanded, met also with vigorous support.

Following on the rebuffs that the Socialists had experienced in the elections of November, 1919, and after the railway strikes in February and May, 1920, and the attempt, in May also, of the *Confédération Générale du Travail* to bring about a general strike, the Government attacked, and diminished considerably, the influence of the Syndicalist movement as represented by the *Confédération Générale du Travail*. This organisation is peculiar in the fact that it is not connected with or influenced by any particular political party; it is formed by delegates of regional unions on the one hand and of national trade federations on the other, and groups labour representatives nationally and regionally, vertically and horizontally.

But about this time a Communist movement was born, inspired and supported by the Russian Revolutionary Government. It was destined to exhaust both the political organisation, which was cut into two parties — Socialists and Communists — at the Tours Congress in December, 1920, and the Syndicalist organisation which, in its turn, was divided in 1922.

After the war, just as during the war, it was the national problem which continued to dominate and overpower all others. From the time of the signing of the Peace Treaty in June, 1919, until the end of December, 1923, the situation remained unchanged. It will probably continue so as long as the treaty signed at Versailles is not completely carried out; as long as the solid and durable peace desired by the whole French people is not established; and for as long as the Republicans have not convinced the whole country that even for the defence of the country and for its authority in exterior questions, Republican policy is the most effective.

V. The After-War Period, 1919–1924

From the signing of the Treaty of Versailles to the end of 1923, France was obsessed by two anxieties. Two questions, the solution of which has not yet been attained, dominated her whole policy.

One is probably only temporary, but it is serious: the question of Reparations.

The other is permanent. It presses for a solution to-day, perhaps more sharply, but it has appeared almost from the beginning of French history: the question of national security.

The Chamber elected in 1919 has been constantly occupied by these two problems. All the Ministries which succeeded the Clemenceau Ministry — the Millerand Cabinet (January, 1920), the Leygues Cabinet (November, 1920), the Briand Cabinet (January, 1921), the Poincaré Cabinet (January, 1922) — all attempted to find solutions.

THE VITAL QUESTION OF REPARATIONS

At the moment of writing, January, 1924, after four and a half years, the question of Reparations is still unsettled.

The Treaty of Versailles, from the time it was signed, has given rise to angry discussions. France, according to official statistics, had 594,000 houses damaged, 20,000 factories ruined, 5,000 kilometres of railway destroyed. Arbitrarily, perhaps, but more or less approximately, the losses of France can be set down at 125 thousand million francs in cash. It was estimated during the Versailles negotiations that the total damages for all the Allies combined amounted to 350 thousand millions. The cost of the war was 700 thousand million francs.

It was decided at Versailles that the conquered countries would not have to pay a war tribute or to bear the expenses of the war, but that they would have to pay "the reparation of all damage, inflicted against the civil population of each of the Allied and Associated Powers and against the property of these Powers." It was further decided that they should pay the pensions or compensations due to the military victims of the war and to the persons of whom these victims were the support. A special commission, named the Reparations Commission, was to fix the sum of the damages and establish methods of payment. The Peace Treaty decreed that Germany would have to pay twenty thousand millions in gold marks by May 1, 1921, the date on which the sum for reparations was to be fixed.

It was soon apparent that no solution was possible if a sum for reparations was not agreed on. Successively, various inter-Allied Conferences at Boulogne (June, 1920), Spa (July, 1920), Brussels (December, 1920), Paris (January, 1921), attempted to fix the figure of the debt to be imposed on Germany, the method of distribution of this debt and the mode of payment.

Germany made protest after protest but paid nothing. The Allies, who by virtue of the Peace Treaty, already occupied the provinces on the left bank of the Rhine, then decided to occupy Düsseldorf, Duisburg and Ruhrort.

In May, 1921, at London, the definite indemnity was lowered to 132 thousand millions of gold marks, payable in annuities of two thousand millions, plus 26 per cent to be levied on all German exportations.

Germany then outlined a policy for executing this plan. But in December, 1921, she declared that her financial and economic situation forced her to suspend payments.

At Cannes, in January, 1922, she obtained a *moratorium*. In March, 1922, the Reparations Commission reduced the annuity which was to be paid in 1922 to 720 million francs (instead of two thousand millions) plus 1,750 millions in kind.

Germany met these new terms of payment each month up to June 15, when she requested a moratorium until the end of 1924. She had up to that time paid to the Allies eight thousand millions plus deliveries in kind.

By virtue of the repartition system fixed by the Spa Conference, France was entitled to 52 per cent of the 132 thousand millions of gold marks fixed in May, 1921 — that is, 69 thousand millions. On December 31, 1922, she had received only 1,791 millions. If the repayment of advances which had been agreed to at Spa for the exploitation of the coal-mines (about 200 millions) and the expenses of the Army of Occupation (about 1,300 millions) be deducted, then France received as reparations a total sum of only 291 millions.

Germany demanded a *moratorium*. What guarantees of payment were to be given to France? Those offered at Paris in January, 1923, by the British Government appeared unsatisfactory to the French Government, and the conference of the Allied Premiers at which they were offered was dissolved almost immediately.

On January 11, 1923, France, in concert with Belgium, occupied the Ruhr basin. Her intentions were to put pressure on the German Government in order to force her to carry out her obligations and to hold in French hands a pawn in case the payments were not made.

The industrial population of the Ruhr, in concert with the Government in Berlin, organised passive resistance — that is, a suspension of work and public services — in an attempt to discourage the isolated action of France and to reduce the pawn to worthlessness. This passive resistance lasted up to August, 1923, and it was only in November that agreements for the continuance of work were concluded between the industrial population or the administrative bodies of the Ruhr and the French authorities.

In December, 1923, the Allies came to an understanding in regard to the acceptance, with certain reservations, of the idea, formulated during 1923 by the American Secretary of State, Mr. Hughes, concerning the establishment, by means of the Reparations Commission, of a Committee of Experts charged to appraise Germany's capacity for payment. This decision may be taken as a new attempt on the part of the Allies to find a solution in common. And in addition, Germany seems to be disposed to seek an understanding with France in regard to the *régime* of the occupied territories.

There is no need to insist at length on the importance of the tremendous problem which we have only outlined here.

The future of France will be burdened with heavy anxieties for as long as this problem remains unsolved. It is a grave one from the financial point of view. The work of reconstruction could not wait. France agreed to pay to the sufferers in the invaded departments a sum of 86 thousand million francs. On December 31, 1922, she had already spent for this purpose 41 thousand millions, which she had raised by borrowing or by monetary inflation, and without having received from Germany anything beyond the 291 millions to which allusion has already been made.

These charges are being added to the French public debt resulting from the war. That public debt, estimated in 1914 at 35 thousand millions, had grown by October, 1919, to 157 thousand millions. French exchange is affected largely owing to this formidable burden and to the monetary inflation which is the result of it. If payments are not obtained from Germany, victorious France, in spite of the strength and stability of her national economic situation, will be face to face with hardships which will be all the heavier

in view of the fact that if she receives nothing from Germany, she will on her side, remain the debtor of her Allies.

French opinion, in spite of several declarations which have created a considerable sensation, does not consider that her financial engagements to her Allies are void, but she is a little impatient of the idea that in view of her heavy sacrifice in men, she ought to pay debts contracted in a common cause, even when the conquered country has defaulted. She considers that the two problems — that of reparation and that of inter-Allied debts — cannot be dissociated.

If the policy of the various Governments during the last few years is to be judged, it is important that the drift of French ideas should be thoroughly understood.

The French Government has time and time again been accused of desiring to indulge in a ruthless policy of domination and imperialism, and, since the occupation of the Ruhr in January, 1923, of seeking the destruction of the German economic system, and of wishing to reduce Germany to complete pauperism. It is further accused of seeking the annexation of the Rhineland and even the Ruhr.

These annexational ideas do not exist in France except in the minds of an infinitesimal minority of people, whose small numbers do not entitle their opinions to any very serious consideration. In addition to this, it may at once be definitely stated that the idea of attacking the German economic system is absolutely contrary to the desire — indeed, it is not too much to say the unanimous desire — of the French people, who are seeking neither territorial aggrandisement nor the further humiliation of Germany, but merely reparation for wanton damage inflicted by the enemy.

For the French are prone to cling obstinately to one idea: they desire to be paid. They have not forgotten the harshness of the German exactions in 1871. They remember the great effort they made in order to pay the five thousand millions claimed by Germany. Possibly they do not realise all the difficulties of the transfer of the enormous sums demanded from the nation which has been accounted responsible for the war, or of the German economic and financial situation. But the systematic policy followed for some time by the Germans themselves to lower the mark, the placing of capital in foreign countries, the evident lack of good-will in keeping engagements, the idea that the Allies themselves, in the grip of other anxieties, will not give France the necessary support, have sometimes exasperated French opinion and over-excited the desire for payment.

It may be that the French Governments have committed some mistakes, and that they have not always acted in the way best calculated to influence German opinion in the direction of peace. It may be also that the maintenance of a closer *entente* with England would have resulted in acceptable engagements and guarantees, less susceptible of awakening hatred amongst nations. But, it is quite certain that there will be no durable peace — no possible peace, even — if those reparations, recognised as just, are not paid to France.

It is not likely that there is any other viable solution, if the problem is not deliberately internationalised. So long as France and Germany remain face to face, so long as conquered Germany seeks to avoid the obligation of payment to her conquerors, there will be no peace in Europe. Peace can only come if obligations recognised by all as fair, are carried out, or if an international loan transforms Germany's obligation into an obligation towards all states for the benefit of France and those countries which have suffered by reason of her attack. The problem of Reparations is as much a moral and political as a financial and economic problem, and it is linked with the problem of security.

THE GERMAN MENACE

France emerged from the war victorious. But the German menace continues to weigh on her. Numerous classes of the German population are refusing to comply with the carrying out of the obligations of their country and are talking of revenge. A strong nationalist movement has become apparent in Germany.

The Peace Treaty imposed a limitation of armaments on Germany. It reduced her army to 100,000 men, recruited by voluntary engagements of twelve years. It forbade compulsory military service. But the inter-Allied control suggested by the treaty is insufficient to check the secret attempts to rearm which may take place. A guarantee of peace can only really exist in the will for peace of the people, and as long as this will does not flourish in modern Germany, France will feel herself threatened with the ancient menace of a German invasion.

Unsatisfactory again, in view of experiences in the recent war, are and will be all measures for the limitation of war material, of disarmament and the dismantling of all fortified places in the frontier regions. The war proved by what methods the industries of each nation could be turned from their peaceful ends and rapidly transformed into war industries. More drastic measures must be considered.

Three plans for the purpose of assuring the security of France were considered at the time of the peace negotiations.

The first was that of territorial occupation. France, said her defenders, and particularly Marshal Foch, should be permanently established on the left banks of the Rhine, or at the very least buffer states, separated from Germany, should be formed and placed under the control of France. "The western frontier of Germany should be pushed back to the Rhine." This was in conformity with the old policy of natural frontiers. But it was inadvisably judged from the point of view of the right of people to dispose of their own destiny. France, the country *par excellence* of voluntary national unity, could not claim for her profit the creation of "another Alsace-Lorraine." And such a security would probably have been more than a little precarious.

A second plan was that of the Covenant; a powerful League of Nations, capable of imposing its arbitration on all states in case of conflict, and having at its disposition a military force superior to that of no matter what aggressor. A persevering effort could transform this idea into reality; its realisation is desired by the masses, but at the time that it was formulated and even partially inscribed in the Peace Treaty it appeared to be an unsatisfactory safeguard against future dangers.

The security of France seemed to be found in a third plan; a plan of guarantees given by England and the United States of America, who would in the event of an attack on France, undertake to defend her.

The two guarantee treaties were not ratified either by the Senate of the United States or by the British Government.

Since then, sometimes by means of direct negotiations between France and England, and sometimes through the deliberations of the League of Nations, established in 1920, and the Disarmament Commission that it instituted, new formulae for guarantees have been brought forward and are still being studied. But they do not yet constitute the guarantee of security that France needs. The problem remains unsolved.

To tell the truth, France at the present time is not threatened. At this

moment (1924) she possesses the strongest army in the world. The military monarchies which might have been a menace to her are now broken up. In spite of divergences of policy, she remains allied to England and Italy. She is closely united in daily action with Belgium. She is the ally and supporter of the republics of Czechoslovakia and Poland and of the monarchies of Yugoslavia and Rumania who, on their frontiers, face the same risks as France.

Finally, and above all, Germany for the moment is not in a state to attack. Secret armaments are not sufficient; the organisation of the country is upside down. Owing to the trials they have undergone, many Germans are hostile to the idea of another war. But this security is precarious. It can be destroyed by circumstances. The interests of France and the future of peace lie in transforming the present state of affairs into a fixed principle, and of so maintaining it by the will of nations.

Certainly it does not rest with France alone to settle the problems of Peace. To do so depends still more on Germany and perhaps also on France's war-time Allies, including the United States. But it depends also on the policy that France will follow, on the influence that by firmness of will she can exert on the development of world policy. This, in turn, will depend on the solutions that she may find for the internal and external problems that circumstances in general, resulting from the war, and from her ancient traditions, have placed before her.

VI. Questions of the Future

In the first place France must consolidate her internal strength and her moral and material balance.

She has given to the world the most perfect type of a nation constituted by the free adhesion of all her citizens.

The Treaty of Frankfort, 1871, dealt a blow to this unity in detaching from her, against the will of the inhabitants, Alsace and a part of Lorraine. The Treaty of Versailles decreed the necessary reparation. When French troops entered Alsace they were hailed as liberators. A plebiscite was not necessary.

The elections of November, 1919, demonstrated the unanimous desire of the Alsace-Lorrainers of all parties to become a part of France. Not a single protesting delegate was elected. And more than this, those parties which, as a consequence of the half majority electoral law, failed to obtain representatives in the Chamber, by a declaration affirmed their adherence to France.

A temporary *régime*, which is shortly to end, has been established in Alsace-Lorraine. Difficulties may still exist and misunderstandings may still arise. It would not be surprising if such did happen, considering that for a period of forty-eight years, the Germans attempted to wipe out all French sympathies and leanings from the minds, the customs and life of the people of these provinces. However, no serious tendency in favour of particularism has arisen. French unity has been reconstituted in its entirety.

But the return of Alsace-Lorraine did not suffice to restore the French population to its full force. According to the census of March, 1921, France has a population of 39,209,000; out of this figure 1,709,000 come from the annexed provinces. In the former territory of 1914, the population since the outbreak of the war fell from 39,600,000 to 37,500,000. It was lower by 2,000,000 than the pre-war population.

It must be remembered that France, during four years of war, lost 1,364,000 men by death. But the evil is due for the most part, and in a continuous manner, to the enormous decrease of the French birth-rate.

In the eighteenth century, France held the first place in Europe in point of view of population. She has now, owing to the diminution of births, fallen to the sixth place. This is the most painful problem that the country has to face, and in it is contained the whole question of security. The persistence of the German menace is due to this.

Can any measures, legislative and otherwise, solve this problem? The diminution of births is directly connected with the comfort of a population. France remains a comfortable country.

Failing an increase in her birth-rate, which is so necessary, can France inaugurate a feasible immigration policy?

The faculty of assimilation, of absorption of other races by the French race, which was constituted in its origin from a mixture of neighbouring races, has always been remarkable. But it will be an important matter to choose the immigrants.

Many Italians in the past lived in France. Will Italian policy permit the continuance of this movement? Poles, Czechoslovaks are to-day systematically called for and received. Will these prove capable of assimilation?

Is this plan, conceived by a certain number of writers and politicians, for improving the quality of the French race and for endowing it with new intellectual capacities, a more liberal education in order to permit it the better to maintain its traditions and customs and to better assimilate the new comers, practicable? Is a mode of controlling the population, directing and framing the immigrants, so to speak, a feasible proposition?

Such are the more important of the lesser problems. If France fails in this effort, the menace against her existence may increase. This inferiority must in every way prove an obstacle during the early period of the establishment of peace — the period in which the traditional conceptions of the balance of power between states remain stronger than the principles of international justice and authority.

OTHER PROBLEMS THAT AWAIT SOLUTION

A second series of questions, less clearly outlined, less frequently discussed, must soon engage the attention of politicians. What is to be the equilibrium and what the directing principles of French national economics?

Up to the time of the war, France was for the most part an agricultural country. The reëntry of Lorraine into French unity has considerably increased her mining and metallurgic industry. France has become one of the greatest metallurgic countries in Europe. Her need to-day of coal and coke is one of the greatest problems of international economic policy. This circumstance, more than any other, exacts a settlement between French and German industry.

But, on the other hand, the French home markets cannot consume the whole of the produce of this industry. French metallurgical industry must have commercial markets. France must decide, as soon as the Reparation problems are settled, whether she wishes to be — whether she is able to be — a great industrial power, or not. The decision will guide her commercial, financial and population policy.

French opinion has sometimes and in a contradictory manner accused French industrialists of practising a Malthusian policy, of restricting *production,* and of supporting a policy of imperialism. Both policies have their

dangers. If it be true that France is, as is so often said, and often, indeed with reason, a country of balance, measure and harmony, she must know how to find that method which is most suitable to her internal stability, and therefore, in a large degree, to her social stability.

In the social domain, as in many others, war only accentuated and accelerated the evolutions which were in preparation before 1914. The picture that has been traced above of the French labour and syndical movement is not modified; without having been wholly maintained since 1920, the influence acquired by the syndical movement during the war has not been lost.

Certainly, against the labour organisations, strong capitalist organisations have been founded and have increased their power. They play an important part in relation to public bodies. They are accused of attempting to influence electoral propaganda by the weight of their money resources. But also, between the two groups of organisations the practice of collective settlements has developed. A kind of balance and stability has resulted therefore. And from this there have arisen ideas of professional representation, of consultation of interests in public affairs, of the establishment of an economic Chamber side by side with a political Chamber, and of an Economic Council. These ideas have lost more or less of their actuality since 1919, but they still subsist and may possibly have a future before them.

In any case, since the war French opinion understands better to-day than formerly that one of the conditions of normal and healthy production is a just and equitable treatment of wage-earners. It may be noted that since 1919, the eight-hour day, frequently criticised and considered as dangerous for production, has not been the object of one serious request for abrogation. It is also to be noted that the National *Bloc*, whose conservative tendencies are denounced by the Left, has received from the Government a coherent and audacious plan insuring the wage-earners and even, optionally, a part of the rest of the population, against the risks of illness, invalidity, accidents, old age and maternity.

The crises which result from the instability of exchange and the cost of living may possibly compromise the realisation of these reforms and bring in their wake troublesome consequences. It does not seem as if the French working-class, even by its most daring claims, threatens the country with disorders in the near future.

For in addition to the desire for "the general interest," to which they constantly allude, the French Democrats and Socialists, who aspire "to realise social justice" even, if need be, by changes in the property system, are forced to take into account in their programmes the strength and economic power of the French peasantry.

The small and medium-sized peasant property which has been one of the chief characteristics of French life since the Revolution, has increased in wealth and influence since the war. The peasants have sold their produce at high prices. Many of them have paid off the mortgages which burdened their property or have bought holdings which they operate as farmers. The French Chamber remains largely a "Chamber of rustics." Hence the conservative tendency, which can never be ignored in French politics, and the social stability prevailing even in the most disturbed periods.

Following on the Armistice, many countries, and the victorious amongst them, believed themselves to be threatened by Communist agitations inspired by the Russian Revolution of 1917. Since 1919 there have been Communists at work in France. Since 1920 there has existed a Communist party which met with electoral successes or enthusiastic popular support in the great industrial centres and even in a few rural districts.

Nevertheless the fear of a Communist revolution has never been an obsession of French statesmen, for there are few countries in the world in which are united better than in France, in spite of her decrease of population and wealth since the war, those conditions of social structure necessary for the maintenance of internal equilibrium and the realisation of justice that the masses desire. Nothing but harsh and unwise resistance can compromise this evolution, and such resistance would compromise the internal vitality of the country.

There survives the political problem, the vicissitudes of which we have outlined in this sketch of the history of the last twenty-four years. The thesis that the political struggle between Frenchmen, and more particularly the battles fought in the name of the republic, democracy and even socialism, may possibly compromise the prosperity and external power of the country, has frequently been developed. Parliamentary debates have been declared inauspicious, parliamentary procedures ineffective and little adapted to the new needs of the country.

If we may be allowed to mention a personal impression, we have been struck, when we study the facts anew to write these lines, by the fecundity of these struggles. The war has proved that the defensive organisation of the country was not compromised. The law of associations of 1901, the new *régime* of the separation of Church and State, are positive institutions, marking progress in ideas and customs, and were the direct results of political battles.

Is the anti-clerical battle, in which the fight for the republic was so often involved, to be continued with the same harshness and bitterness?

In 1920 there were in the Chamber and the Senate majorities which voted for the reëstablishment of an embassy of the French Republic at the Vatican. Many consider that the *régime* of the separation of Church and State should be carried still farther and that a greater tolerance should be permitted in the matter of instruction. Since the war, the Government and the public authorities have, in their daily conduct, leaned towards *rapprochements* with the clergy.

It will in a large measure depend on the Church whether a policy of this nature can be developed. But the Republicans are once more uneasy about the initiatives of the ecclesiastical authorities, of their attempts to exercise a new influence on the youth of the country by means of athletic clubs, etc., and to use the influence thus acquired against the interests of the Left parties.

At the end of 1923 it seemed as if there were a movement throughout the country against the National *Bloc* which triumphed at the 1919 elections. This movement no doubt has its origin in fiscal and economic difficulties, but it is also unquestionably connected with the ancient and persistent tradition of the struggle for the republic and democracy — a struggle which has been briefly outlined in the foregoing pages.

Once more, as in 1902 and 1914, a *Bloc* of the parties of the Left is spoken of in France. The electoral struggle of May, 1924, will be of the greatest importance in this respect. It has virtually begun. Radicals and Socialists have plunged into the battle — above all the battle of internal questions — and desire ardently to renew the policy of a coalition of the Left, which has been injured by the formation of the National *Bloc*. It is generally agreed that this movement is influential and destined to succeed.

But whatever be the difficulties which await it, and with the possible exception of the formidable problem of the birth-rate, France possesses enough internal vitality, enough equilibrium, enough common conscience to have full confidence in her future.

FRANCE'S EXTERNAL POLICY

But one sole problem must dominate and guide all her efforts — that of her external policy.

If the Democrats, who hope to win at the elections of 1924, do not handle this question firmly, if wise and clear solutions for obtaining the positve results which are expected, and, avoiding misunderstandings with other nations, are not arrived at, the situation in France may be compromised.

The coming years will be decisive for the peace of the world. France, let us repeat, will not alone be responsible for it, but the rôle that she will play will be of the first importance.

We have described the preponderating situation in which she finds herself. It corresponds, on the Continent, to that which Germany occupied after 1871. Whatever criticism may be directed against French policy, France has not abused her position. Unquestionably, there is one risk which subsists. France might be tempted, owing to Germany's persistent bad faith or to her (France's) abandonment by her Allies, to impose by force certain measures — and this time measures outside the legal scope of the treaties: she might yield to the insistence of certain theorists who harp on the old thesis of "natural frontiers" with a geographical basis, and who maintain that even if the Rhineland populations did not formally consent, they would nevertheless accept union with France. She might, again, be tempted to use her power to change the peaceful and educative colonial policy that she has hitherto followed.

But at the moment, after the fatigue and exhaustion of war, these are unlikely risks. And more than this, the French masses, peasants and industrialists of varied shades, are, traditionally and unquestionably, deliberately peaceful.

But the real risk is that, convinced of the power and authority which they enjoy, confident in the present preponderance of the country, the French Governments of the near future will not give to the systematic and universal work for peace all that courageous application that it requires.

Old French legislators always spoke of a "policy of interest" and a "policy of magnificence." In the same way, the policy of preponderance and the policy of peace may to-day find themselves in mutual opposition. The policy of interest for France is the policy of peace.

FRANCE AND THE LEAGUE OF NATIONS

An increasing number of Frenchmen believe that peace can be created, as the Treaty of Versailles proclaimed, by the development and strengthening of the League of Nations. Whatever may be the opposition that the League of Nations raises in great countries like the United States; however unsatisfactory the covenant made by President Wilson, it seems as if, and particularly for European countries, only the League of Nations, endowed with uncontested authority, having at its disposition the military force that the French delegation in 1919 suggested, is capable of giving security to France and to other nations.

The League of Nations since 1920 has not slept. It has settled a certain number of international questions (Upper Silesia, Aland Islands, etc.). It has administered the Saar territory and controlled the Danzig administration. It has helped to raise Austria and to strengthen her finances. There appears

to be an increasing demand for it to play an important rôle in the methods of settling Franco-German affairs. The day that Germany enters the League, a great step will be made in the direction of peace.

But it must be admitted that if France, with Great Britain, has played a preponderant rôle in the development of the League of Nations, she has hesitated, not only in her governmental decisions, but even in her public opinion, to give it complete authority, of which it has need in order to fulfill its mission. Perhaps in some obscure way the old idea of preponderance is opposed to this policy. There exists in France a repugnance to the idea that the settlement of the grave problems of peace can be transferred to the League of Nations. Perhaps, however, it is in this that lies the only certain guarantee, the sole possibility of peace.

To-day the League of Nations does not possess a real authority. All its power rests on the common consent of the nations composing it. Traditional systems of alliances, old methods of balancing power still remain the only real guarantees in the minds of nations. But a nation placed in a position of preponderance can help more than any other to transform all pacts of special guarantees into a unique Pact such as the organisation of the League constitutes. If France places her preponderances at the service of peace, she will aid in developing democratic ideas and the will for peace in all nations. She will have assisted powerfully in the establishment of peace, and at the same time she will have assured her existence and her future greatness.

In concluding his great history of France, Ernest Lavisse said that the supreme ambition of France was to "present to the world the model of a very free democracy, perpetually seeking a higher social justice, untroubled by violence, not led astray by utopianism, reasoning, reasonable." The formula is happy.

It summarises well the ancient aspiration of France. It must be carried through. Democracy in every country must work for peace. Itself, it is the guarantee of peace.

In a world of friendly feeling, security and mutual understandings, that with a democratic policy she will have helped to create, France must cherish the ambition to attract once more that universal sympathy which in other times — in the Middle Ages as in the eighteenth century — was the glory of her history.

[This brief sketch of France during the past twenty-five years is not accompanied by any references or bibliographical notes. The Editor of these volumes asked of the Author rather a statement of those problems of the present and future now facing France and an attempt to make them better understood by foreign countries, and particularly by the great Anglo-Saxon publics, than a work of critical and original research.

The Author would merely point out that he has constantly referred, in verification of facts, to the most accurate work at present existing on all that concerns the History of France — to volumes 8 and 9 of the *Histoire de France Contemporaine* published by Hachette, under the editorship of Ernest Lavisse.]

CHAPTER XXXI

BELGIUM AS I SAW IT

By Brand Whitlock.

American Minister (later Ambassador) to Belgium during the World War. Member of the American Academy of Arts and Letters, and of the Royal Academy of Belgium. Author of *Memories of Belgium under the German Occupation.*

At the beginning of the present century, Leopold II had been on the throne of Belgium for thirty-five years, and he was to reign for nine years longer. Few monarchs have done as much for their people or had such achievements to their credit, and few have gone with less appreciation in their lifetime. To the world at large, he was known chiefly by those facile caricatures to which his striking figure lent itself. In appearance he was tall and distinguished, with a long nose, a flowing white beard and flashing, imperious eyes. Those who knew him say that there was majesty in his port; from head to foot he was a King, capable of inspiring awe, fear and devotion. But bound within the narrow limits of a rigid Court etiquette, he had no friends or intimates, and he led a life of intellectual loneliness. He suffered, too, from domestic disappointments; among them, the death of his only son, a grief from which he seems never to have recovered, though all this was hidden under the mordant irony and the corruscating wit that came to express his attitude toward a life that early stripped him of all illusions and left him to move amidst its scenes with an indifferent air of cynical hauteur.

THE CAREER OF LEOPOLD II

In most ways he was superior to the monarchs of his time; no statesman in Europe could surpass him in intelligence, but his restless, ambitious spirit was trammelled by treaties and constitutions. In international affairs, a domain in which his genius would have played a dominating part, he was bound by the Treaties of 1839, which set up the Kingdom of Belgium, and imposed upon it a strict neutrality. In internal affairs, the Belgian Constitution prescribed the narrowest limits for the exercise of the few powers it conferred upon him, and left him few initiatives.

Fettered by such restrictions, and head of one of the smallest states in Europe, Leopold's imperial ambitions sought other outlets. He was a man of wide culture; fond of the liberal arts and sciences; he knew all about architecture — modern Brussels, one of the most beautiful cities in the world, is his work — and he was a passionate lover of flowers, plants and landscape gardening.

In 1853, when, according to the Constitution, as Duke of Brabant, a frail, delicate young prince, he took his place in the Senate, he at once joined in the debates and was found urging the necessity of encouraging the arts and *belles-lettres;* he suggested the institution of prizes to be given to the author

of the best plan for the embellishment of Brussels, and later he marked out an extensive scheme of public works to be undertaken, not only in the capital, but in Ghent, Antwerp, Namur, Mons, Liége, Charleroi and Verviers. He took an interest in the betterment of conditions for the working population; he devoted his influence to the improvement of the ports of Ostend and Antwerp, and to the development of commercial relations with countries in the Far East.

He urged Belgians, notorious stay-at-homes, to emigrate to Asia, to Oceania and to Africa. He himself made long voyages all over the world, visiting Africa, India and China. When, on the death of his father, Leopold I in 1865, he came to the throne, he saw the opportunity of realising those projects which had haunted his spirit from youth. For a while he was under the tutelage of his great Ministers, Charles Rogier and Frère-Orban, but finally he shook off their influence and gave himself to the ambitious design of his life.

THE ACQUISITION OF THE CONGO

To the south lay the mysterious continent of Africa, exercising on his mind the fascination of the unknown; he had followed, with avid interest, the adventurous efforts of explorers to penetrate its dark interior, and in 1876 he convoked in his palace at Brussels a geographic conference out of which was born the International African Association for the exploration and civilisation of Central Africa. Later, he organised a national Belgian committee to favour this scheme, but, like many of the King's ideas, it seemed to everybody in Belgium a chimera; a national subscription was opened which produced only 400,000 francs, and people laughed; but at the end of the year 1877, Stanley, coming out on the western coast of Africa, revealed to the world the course of the Congo and the riches of its immense basin. Leopold II sent for him and charged him with the command of further explorations for which he, out of his own fortune, provided the means.

In August, 1879, Stanley left Banana and plunged into the interior, and when, in 1884, he handed over the command, he had explored the basin of the Congo, and the International Association of the Congo had acquired possession of vast territories, had become an independent state with its own flag, and had negotiated more than a thousand treaties with native chiefs.

In 1884, the conference of the leading Powers, convoked by Bismarck at Berlin, recognised the new State of the Congo. There was a spontaneous demonstration in honour of Leopold II who, sparing neither personal effort nor pecuniary sacrifices, amidst universal scepticism and indifference, had conceived, and through so many obstacles had realised his great plan.

And now, of course, there was enthusiasm in Belgium; the Parliament authorised His Majesty, in addition to his title of King of the Belgians, to assume that of the Independent State of the Congo.

The opening of the new century saw his long reign drawing to a close, and the last phase, though crowned with achievements that are only now, after so many years, beginning to be appreciated, was to be clouded by misunderstandings. He was accused of exercising personal and despotic power; the *régime* of the Congo was criticised, there were complaints and accusations. In 1900, he had initiated an intensive exploitation of its resources; he needed capital, and calling in financiers, companies were organised. They prospered; he made the Congo pay, and he was called a "King of Business." Yet all this, as it turned out, was not for personal gain. He spent his money on the embellishment of his capital; on watering places like Ostend; on parks, boulevards, triumphal arches and museums.



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Cardinal Mercier, the heroic Archbishop of Malines, whose famous pastoral letter, "Patriotism and Endurance," brought him world-wide renown.



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Brand Whitlock, American Minister to Belgium, whose efforts in behalf of the Belgian people and of Allied prisoners of war will long be remembered.



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General von Bissing, Governor-General of Belgium from 1915 to 1918, who signed the warrant for the execution of Miss Cavell.

In 1905, there was an inquiry into the *régime* of the Congo, and in 1906 Leopold II offered to turn over the Congo, of which he was the absolute sovereign, to the nation. There were long and painful negotiations with Parliament, but finally, in 1908, a settlement was reached; a treaty was drawn up and approved, and Belgium took over the Congo as a colony. Thus Leopold II saw one of his great ambitions realised; he had endowed his country with an empire, and, in the poet Verhaeren's phrase, made a gift to the world of a new continent. It had been one of the three great ideas that had dominated his reign; another had been realised in the enlargement and embellishment of the Belgian cities. A third remained: that of insuring the defence of the national territory. With his vast political vision, he had long foreseen the coming of an European war; he had predicted even its details and had urged his Ministers to take the necessary measures of defence. He had urged Parliament to adopt personal service for the army, but this had been rejected. The Government, however, carried through laws providing for the fortification of Antwerp and of the line of the Meuse.

In 1908, General Hellebaut, Minister of War, made a public exposé of defects in the army, and in 1909, after the institution of a mixed commission to examine the question, M. Schollaert, the Prime Minister, succeeded in passing a law that abolished the old system of recruitment by lot, and established personal service. Leopold II was on his death-bed, but he had seen the fruition of his efforts to bring about military reform and, just before he died, he had the satisfaction of signing this law.

He died, as he had lived, alone. His will closed with these lines:

"I wish to be buried in the early morning, without any pomp. Except my nephew Albert and my household, I forbid anyone to follow my coffin."

The long reign of Leopold II had been a period rich in works and in reforms, all of which had served to consolidate and develop the existence of the young nation founded less than a century before. Belgium had greatly prospered. The citizens were eminently practical; there was a strong love of personal liberty and local self-government, inherited from the old free cities, and jealously preserved in the autonomous communes which were the basis of the nation's organisation. The prevailing political conceptions were those of a strict individualism as taught by the great liberal statesman of the nineteenth century, Frère-Orban.

The nation was highly organised socially, politically and industrially; its intellectual and artistic life was flourishing; there had been an amazing commercial expansion which had made Brussels the seat of international companies with vast enterprises in Brazil, Mexico, China and Africa. Her cities had become opulent, luxurious and beautiful; living was cheap, the people were industrious, happy and gay, fond of good cheer like their forefathers, portrayed in the canvases of Jordaens and Teniers.

And this new Belgium, rich, proud, confident of itself and of its future, was the work of Leopold II.

ACCESSION OF ALBERT AND ELIZABETH

When on December 7, 1909, Leopold II died, his nephew Albert mounted the throne, and on December 23, 1909, was crowned King of the Belgians. He was the second son of the Count of Flanders, brother of Leopold II, and came to the throne through the default of male issue, Leopold's II's son as well as Prince Albert's elder brother, both having died. He was then thirty-four years old, a handsome young man, tall, broad-shouldered and strong, fond of an active outdoor life, his favourite sport being Alpine climbing. He had

received a scientific and military education, had served in all the grades of the army; was simple in his tastes, modest and retiring in disposition, cared nothing for the pageantry of courts, was sparing of words and of gestures, a keen, quiet, if somewhat detached observer of men and events with an extraordinary fund of common sense, a sound judgment and that sense of humour which characterises the Coburgs in general. Leopold II was fond of saying that the Coburgs ripened late in life. Leopold I was fifty before he came to his renown as a great diplomatist and the arbiter of Europe; Leopold II had waited until he could shake off the tutelage of his Ministers, Rogier and Frère-Orban, to become the coloniser and builder, and it was not until the war of 1914 gave him his opportunity that King Albert was revealed as the soldier. He was always popular; the Belgians liked him for his bigness, his good looks, simple manner, easy approach, unfailing good humour and because of his happy domestic life. In 1900 he had married the Princess Elizabeth, Duchess of Bavaria, whose delicate charm and fragile beauty at once won the devotion of the Belgian people whom she was so signally to serve. They had three children, Prince Leopold Duke of Brabant, Prince Charles Count of Flanders, and the Princess Marie-José.

INTERNAL POLITICAL QUESTIONS

During the early part of the reign of King Albert, the political thought of the nation continued to be preoccupied by the four great political questions that had engaged it since the fall of the Liberal party in 1884, and the accession of the Catholic party to power — education, constitutional revision, national defence and the Flemish question. When the Catholics came to power in 1884, they had voted a law which changed the old school system and gave to the communes the liberty to replace the existing public communal schools by what were known as free schools; that is, schools in which religion was taught. The communes were authorised to inscribe religious instruction on their programme of education, and the State was to provide subsidies for free schools.

This same period had witnessed the rise of the Socialist party with its demand for manhood suffrage and with the organisation of that remarkable system of coöperative stores which exists in Belgium, the most famous of which is the Vooruit at Ghent. There had been labour troubles amounting almost to insurrections at Liége and at Charleroi; factories were burned in the Hainaut, and it was necessary to call on the army to reëstablish order.

The Socialist party, definitely organised at a great Congress held in Louvain in 1890, by its incessant agitation for universal manhood suffrage, had compelled Beernaert to propose a revision of the Constitution, and after long debates in the Chambers, manhood suffrage, as well as suffrage based on educational qualification was rejected, and as the result of a compromise, general suffrage, tempered by the plural vote, had been adopted; one vote for every citizen over the age of twenty-five years, and one, and in some cases, two additional votes for citizens possessing qualifications as to age, property and education. The result of this system, which greatly enlarged the electorate, had been fatal to the Liberal party; the fear of Socialism led many Liberals to vote with the Catholics, so that in the cities, as well as in the agricultural regions of Flanders, the Catholics were successful. Frère-Orban himself was defeated at Liége and there remained in the Chamber only a small group of Liberals. In the industrial regions the Socialists were successful and entered Parliament in noisy triumph, headed by Emile Vandervelde, Anseele and Destrée, all young and eloquent.

The Catholic party had used its increased power to vote a new school law that made obligatory the teaching of religion in schools, with a dispensation for those children whose parents demanded it, and established the right to State subsidies on the part of free schools. However, as a result of the Socialist agitation, certain members of the Catholic party had realised the necessity of satisfying the demands of the working classes, and in 1891 the *Encyclique Rerum Novarum* of Pope Leo XIII had inspired a number of young men in the party to organise the Democratic Christian Movement, headed by Jules Renkin and Henri Carton de Wiart, both of whom became distinguished political leaders.

With the Liberal party broken between the two extreme forces of conservatism and socialism, the political equilibrium of the country was destroyed, and Leopold II urged his Ministers to find a remedy for this evil; and after great agitation, the system of proportional representation was adopted. Out of the new elections of 1900 the Liberal party emerged with a stronger representation. At Brussels five Liberal Deputies were elected: Louis Huysmans, Léon Le Page, Paul Hymans, Paul Janson and Emile Feron, thenceforth destined to play a considerable part in the political life of the nation.

THE OLD PROBLEM OF THE SCHOOLS

From that time on, during the last years of the reign of King Leopold II, and the early years of the reign of King Albert and almost down to the World War itself, the political conflicts of the nation continued to centre in the old question of the schools. In 1912, the Catholic party proposed a law establishing equality between the subsidies given to communal schools and those given to free schools. There were violent protestations on the part of the Liberals and the Socialists who joined in a campaign against the proposal. The vigour of this opposition so impressed King Albert that he consulted his Ministers with the result that M. Schollaert, the Catholic Prime Minister, resigned. The King then called Baron Charles de Broqueville to reorganise the Government, and dissolved Parliament for new elections. The Socialists and the Liberals formed a cartel and agreed on a programme favouring obligatory instruction and electoral equality; but a great number of Liberals resented the union with the Socialists, the cartel was badly defeated in the elections and the Catholic majority was again reinforced. Baron de Broqueville at once proposed a new school law and a new military law. The school law provided for obligatory instruction and for equality between free and public schools in the distribution of subsidies, and despite the opposition of the Socialists and the left wing of the Liberals, the law was voted and the programme of the Catholic party in school matters thus finally realised.

The question of the defence of the realm remained. In 1913 Baron de Broqueville laid before the Chambers a law reorganising the army, establishing general service and providing that the annual contingent should not be less than 49 per cent of the levy in mass. This law was a distinct advance on any that had gone before, but, unfortunately, as was realised at the time, it could not produce its full effects until after a lapse of years; and it had not had time to bear fruit when, a year later, the world was plunged into war.

THE ODIOUS GERMAN RÉGIME THROUGH THE WORLD WAR

On August 2, 1914, the German Minister at Brussels presented an ultimatum of the German Emperor demanding permission for the German armies to pass through Belgium into France. The King held a Council of the Crown and returned an instant and indignant refusal, appealing to the Treaties of 1839 which Prussia had signed with the other Great Powers. When German troops crossed the frontier near Visé, Parliament was summoned; the King in the uniform of a Lieutenant-General, booted and spurred, rode through cheering multitudes to Parliament House, made a sturdy patriotic address, demanded a vote of credits which was instantly given *viva voce,* and strode out from there to place himself at the head of his army at Louvain. Then followed the memorable resistance of the Belgians at Liége which broke the German plan of a rapid invasion of France and saved ten days for the Allied armies. When Liége was taken the army fell back into the fortifications at Antwerp, and there, for two months, engaged the attention of two German army corps by constant sorties. Antwerp fell on October 8, but the Belgian army slipped away in the night, reached the coast, and on the Yser the King gave the order that they were to retreat no farther. The flood-gates were opened, the Yser was allowed to overflow, and there, on that little corner of Flanders, King Albert with his army stood fast for four years. He never left that little strip of Belgian soil, the last remaining to him; he refused to go even to Sainte Adresse where his Ministers were established; he, alone of all the Kings and Emperors engaged in the war, commanded his army in person, showing marked qualities as a general and tactician and sharing all the dangers and hardships of the soldiers in the trenches; with him was Queen Elizabeth who, in the uniform of a Red Cross nurse, devoted herself to works of mercy. Both the King and Queen were continually under fire and became the idols of the army, the symbol and incarnation of the valiant nation that was being tried in the fires of that conflict. The whole of Belgium, save this little corner, was occupied by the Germans and subjected to an odious *régime* of daily requisitions, humiliations and oppression. The people, however, following the example of Cardinal Mercier and such leaders as Burgomaster Max of Brussels, and fed, sustained and encouraged by the efforts of the Commission for Relief in Belgium, an American organisation directed by Mr. Herbert Hoover and working in conjunction with *le Comité National,* a Belgian organisation which had M. Emile Françqui at its head, kept up a brave resistance.

The Belgian Government, having been driven out of its own country, after a dreary voyage from Ostend, had found an asylum at Sainte Adresse, a small sea-side resort near Havre at the mouth of the Seine, and here the Government carried on throughout the war as best it could.

Baron de Broqueville invited into the Cabinet M. Paul Hymans, the distinguished Liberal statesman who, after a mission to America to acquaint President Wilson with the sufferings of his people, had been sent as Minister to London, and the Count Goblet d'Alviella, also a member of the Liberal party, and M. Vandervelde, representing the Socialist party. M. Davignon, Minister for Foreign Affairs, had died and had been succeeded by Baron Beyens, and when Baron Beyens left the Cabinet, M. Cooreman became Prime Minister and Baron de Broqueville took the portfolio of Foreign Affairs. Later on, in 1917, Baron de Broqueville resigned and was succeeded by M. Paul Hymans. When, after the dark days of the spring and summer of 1918, the tide of battle turned and the Allies took the offensive, King Albert advanced at the head of Belgium and American troops, drove the

Germans back, gradually liberating and occupying his own territory. After the signing of the Armistice he was met at Lophem, near Bruges, by a delegation of distinguished citizens from Brussels who came to welcome him; and there a council was held and it was decided to form a new Government comprising representatives of all three parties, and to grant manhood suffrage. The King made his triumphal reëntry into his capital on November 22, escorted by contingents of Belgian, French, British and American troops. Once more, after the long night of the occupation, Brussels was gay; the black, yellow and red flag was everywhere, with the flags of the Allies; the people were filled with a solemn joy. The King, wearing the steel helmet he had worn throughout the war, mounted on his charger, with the Queen and the royal children by his side, passed the troops in review in front of Parliament House. Before him, in the small Place de la Nation, was Burgomaster Max, back from his long captivity in Germany; and afterwards there was a session of Parliament, strangely like that four years before, at the beginning of the war. Generals of the Allied armies were there, and the Cardinal, in his red robes. The King, in a speech from the throne, announced the formation of the new Coalition Government with M. Léon Delacroix as Prime Minister, and recommended the abolition of the system of plural voting and the amendment of the Constitution to provide for manhood suffrage.

GRAVE PROBLEMS AFTER THE WAR

The Government was confronted by the gravest problems, both internal and external. The highly organised industry of Belgium was prostrate and in ruins; the Germans, during the occupation, having systematically destroyed or carried off all the machinery. The breeds of live stock for which Belgium was famous had been borne away to Germany as well; the railway system was in disrepair, factories had been burned down, mines flooded, whole towns destroyed and fields laid waste. All this was to be restored or rebuilt. The nation's finances were in disorder. During the occupation the Germans had forced the people to accept the German mark at an arbitrary value of francs 1.25, and there were in circulation and in the National Bank millions of worthless paper marks to be redeemed. And overshadowing all other problems and inextricably involved with them, was the question of reparations.

"THE SACRED UNION"

Though the war had been a monstrous calamity it had united the Belgians as they had never been united before. To quote a line of Verhaeren, cited by M. Paul Hymans in a prophetic speech in 1913, they had at last known 'the anguish necessary to make a strong race." The old divisions had been forgotten; Catholics and Liberals, Flemish and Walloon, had become one; and if the nation had emerged from the long trial in sorrow, it had emerged in hope and pride, with a strongly intensified national feeling. The great Allied Powers, wishing to recognise Belgium's heroism, raised their legations to the rank of embassies and, instead of Ministers, as hitherto, accredited Ambassadors to her Court. At the Peace Conference at Paris, Belgium renounced the neutrality imposed upon her by the Treaty of 1839, and signed the Treaty of Versailles as an independent Power, on an equal footing with the Great Powers.

Thus, under this tripartite government, called the "Sacred Union," with high hopes and the same courage she had displayed throughout the war, Belgium entered upon the period of reconstruction.

In order to give immediate effect to its pledge, the Government brought before the Chambers a measure providing that in the new elections for members of a Constituent Assembly to revise the Constitution, a body chosen in the same way as the Chambers, the system of manhood suffrage should be applied. This measure, though thought to be of doubtful constitutionality, was adopted. The Coalition Government was confronted by the innumerable difficulties inherent in such a disturbed situation; the "Sacred Union" was difficult to maintain; the Belgians, quick to ridicule, found much fault; there were several crises. M. Jules Renkin, Catholic Minister of Colonies; M. Paul Hymans, Liberal Minister of Foreign Affairs; and M. Paul Emile Janson, Liberal Minister of War: each successively resigned his portfolio.

In the new elections the Socialists, as was to be anticipated with plural voting abolished, made large gains and secured about seventy seats. The Liberal party correspondingly lost, many Liberals, through a fear of Socialist gains, having voted with the Catholic party. No party had a majority, however, and recourse was again had to the expedient of a tripartite Cabinet. After many difficulties, M. Henri Carton de Wiart organised a Government, with M. Henri Jaspar as Minister of Foreign Affairs, and M. Georges Theunis, a prominent financier, who heretofore had not been in political life, as Minister of Finance.

In October, 1921, as the result of an incident at La Louvière in the industrial region of the Hainaut where, during labour disturbances, a Socialist meeting was held in which the Belgian flag was trampled on and the red flag displayed, the Socialist Ministers in the Cabinet, Messieurs Vandervelde, Destrée, Wauters and Anseele, retired. In November, the Constitution having been amended and the Constituent Assembly dissolved, new elections were held which did not result in a material change in the relation of the three parties. None of them had a majority and the Socialists, refusing to join another tripartite Government, went into opposition and a coalition of Catholics and Liberals was formed with M. Theunis as Prime Minister and M. Jaspar in the Foreign Office.

PERPLEXING RESPONSIBILITIES OF THE NEW FREEDOM

The new freedom from the trammels of neutrality, won by Belgium, and the recognition of her as a first-class Power, were honours that inevitably imposed their own perplexing responsibilities. The little nation that had lived so long in tranquillity under the protection of a guaranteed neutrality, found itself at once plunged into the dangers, the difficulties and the complications of international politics at the most trying moment of all history. In the discussions over reparations that were to go on between France and England, after the withdrawal of America from European affairs, Belgium had a difficult and delicate rôle to play. Her leaders adopted a policy that implied the maintenance of her equilibrium between these two Powers. On many occasions, Belgium's mediation prevented a definite rupture of the *Entente* between France and England.

The nationalist feeling was strong and led some of her public men to believe that she should have compensation in territory; the cantons of Malmédy and Eupen, theretofore belonging to Germany, had been attributed to Belgium by the Treaty of Versailles, and while annexation was not contemplated, it was sought by certain groups to bring about a reunion with



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German devastation in Louvain. About one-third of the city, including the great University Library, was wiped out in 1914.



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King Albert and Queen Elizabeth of Belgium. Their courageous defiance of German might during the war won for them world-wide admiration.

the Grand Duchy of Luxemburg. This object, however, was not realised, though an economic agreement was made with the Grand Duchy which gives Belgium certain commercial advantages.

DIFFICULTIES WITH HOLLAND

In the Treaty of Versailles, Belgian diplomacy sought also to secure the rectification of the frontier between Belgium and Holland, so as to include in Belgian territory that part of Zeeland lying south of the Scheldt, thereby assuring to Belgium at least partial control over the outlet of the port of Antwerp, and that strip of the province of Limburg which had been lopped off by the Treaties of 1839, and which would be valuable as a protection in case of a new invasion from the east. These plans, however, were frustrated by Dutch diplomacy at the Peace Conference in Paris. A commercial treaty with Holland was discussed and was on the point of being signed, when the Dutch representatives suddenly laid claim to the control of the Wieligen pass, a channel in the North Sea, lying directly across the entrance to the important Belgian harbour of Zeebrugge, not far from the mouth of the Scheldt. This had the effect of interrupting the negotiations, and after many months during which the difficulties between Holland and Belgium seemed likely to reach an acute stage, the question was left unsettled.

The Conference of London of May 1, 1921, fixed the amount due to the Allies from Germany at 132,000,000,000 gold marks, to eight per cent of which, or 10,560,000,000, Belgium, under the accord of Spa, has a right.

Belgium up to the present time, has spent more than 171,500,000,000 francs to repair the damages of war, and has expended an additional sum of 7,500,000,000 francs to redeem at the rate of francs 1.25, the 6,000,000,000 marks which the Germans forced upon the Belgians at par during the occupation. Besides, she has paid 3,000,000,000 francs to defray the expenses of feeding the population during the occupation. All these sacrifices do not take into account the invisible damages due to arrested production and to the destruction, loss and depreciation of machinery during the war. The Government has had to cover all these damages by loans and taxes, with the exception of 1,500,000,000 gold marks which was received from Germany by virtue of Belgium's priority in indemnities under the Treaty of Versailles. Direct taxes in Belgium are 12 times higher than they were before the war. To-day the State has a debt of 36,000,000,000 francs.

Thus, the high hopes that Belgium had entertained at the close of the war were one by one frustrated and, disappointed in securing reparations from Germany, she was led, on January 11, 1923, to join France in the occupation of the Ruhr.

THE PUZZLING LANGUAGE QUESTION

One of the long-standing problems in Belgian internal politics has been the Flemish question, that conflict between the partisans of Flemish as opposed to French culture. Belgian territory comprises nine ancient provinces: the two counties of Flanders, the province of Antwerp, the duchy of Brabant, the county of Hainaut, the province of Limburg, the province of Namur, the province of Luxemburg, and the principality of Liége once ruled by the Prince Bishops.

The two Flanders, parts of Brabant, the provinces of Antwerp and of Limburg are Flemish, and there the Flemish language prevails; while that part of Belgium lying to the south and east of this territory is the ancient

Wallonia, where the Walloon, a dialect of the French language, is spoken. French is the language of the Court, of society, of commerce and trade, and is generally used in Parliament and in the law courts, though Flemish may be, if desired; the two languages, French and Flemish, are official; all laws, proclamations and official publications being printed in both. During the German occupation an effort was made to divide the population, and General von Bissing, the German Governor-General, decreed a separation of Administrations directing that the Flemish language alone should be employed in the Flemish provinces, and French in the Walloon provinces. This separatist movement did not meet with the favour he had expected; the Flemish leaders were too patriotic not to perceive the manoeuvre and to resist it, though a few fanatical Flemish politicians were either the dupes or the accomplices of the German intrigue, and these, after the Armistice, were brought to trial in the Belgian courts, condemned for treason and sentenced, some of them, to death; though as capital punishment, while recognised, is never inflicted in Belgium — following a precedent set by King Leopold I — their sentences were commuted to imprisonment for life.

For many years the controversy over the question of languages has centred in the University of Ghent, one of the two state universities, the other being in Liége. In both these universities, French is the language employed in teaching, and certain partisans of Flemish have long sought to have Ghent transformed into a Flemish University. Von Bissing, indeed, did so decree, but here again the Flemish patriots resisted him, and two distinguished scholars of that University, Professor Pirenne, the famous historian, and Professor Frederic were sent to German prisons for their refusal to aid in the transformation. After the war, however, the old struggle was renewed, and in 1923 the question was solved, at least temporarily, by the adoption of a compromise, known as the Nolf law, from the name of its author, Dr. Nolf, Minister of Arts and Sciences, by which the University of Ghent was transformed into a Flemish institution, with instruction, however, in certain cases, continuing in French.

THE ARTISTIC LIFE OF BELGIUM

During the period under notice the artistic life of Belgium has been vigorous and flourishing, maintaining the splendid traditions of Flemish painting. A well-balanced school of impressionism which realised a good deal of solid work, notable for its passionate study of moving light, made its *début* in the commencement of the century with Fourmois, and developed superbly with Verwée, Dubois, Artan, Boulenger, Coosemans, Asselberghs, De Knyff, César De Cock, and Baron. At Antwerp there was the nephew and pupil of the great Lys, Henri De Brackeleer, who is just now beginning to be appreciated, and Jan Stobbaerts. There was also Theodore Verstracte; and at Brussels, Portaels, the son-in-law of Navez, opened a studio out of which came Agneessens, Emile Wauters, Verheyden, Léon Frederic, Laermans, Gouweloos, and Réné Janssens. From the studio of Cluysenaar came Count Jacques de Lalaing and Dalvin.

All of this work was impressionistic, evoking men and things in a moment of light, but the men and the things are always brought out in their complete integrity; the style of their painting ennobles them and the harmony of their colour accentuates their beauty. Delbeke, the decorator of the Halles at Ypres, which were destroyed during the war, and Mellery displayed a realism that was full of idealism. Then there were the landscape-

painters Courtens, Heymans, De Greef and Verheyden, who worked with the same taste for the power of changing light. Afterwards, Heymans became exclusively a luminist and sacrificed himself somewhat, as did Claus, to the school of pointillism; but both of them retained their ample and vigorous vision. After them came Baertsoen of Ghent, and Gilsoul of Brussels, the works of the one full of melancholy, those of the other all lyrical, but both of them capable of speaking a harmonious and clear language so far as form and colour are concerned.

Belgian painting has thus far escaped the decadent and often degrading influence of futurist and other so-called schools in revolt against tradition. In Léon Frederic, in Courtens, and Claus, in Laermans and Bastien, Wagemann, Hens, De Saedeleer, Van de Woestyne, Walles and Taelemans, there are much force and sumptuous colour even in its sadness, a good deal of splendour and savour of reality.

In sculpture the century has produced Count Jacques de Lalaing, Constantin Meunier, Thomas Vinçotte, Egide Rombaux, Godfroid De Vreese, Samuel and Charlier.

BELGIAN LITERATURE

In the last century Henry Conscience gave literary form to Flemish by the great historical romances he wrote in that language, but since his day the greater part of the literary expression of the nation, with the exception of the realistic novels of Cyrile Buysse, Styn Streuvels, and the writings of Zimmermans, Vanderwoestyne, and Auguste Vermeylen has been in French, subtly touched by something peculiarly Belgian.

It is in French that Charles de Coster wrote the great national epopée, *Thyl Ulenspiegel,* which, in the form of a picaresque romance, gives a marvellous picture of the sufferings the Belgian nation endured under the Spanish domination, and by its poetic elevation expresses the soul of the people.

Towards the end of the last century, by one of those inexplicable spontaneous impulses of art, there sprang into being at Brussels a whole school of young artists who wrote for a review called *La Jeune Belgique,* a name that ultimately attached to the school itself, and this "Young Belgium" did much to form the national spirit that burst forth in 1914.

Camille Lemonnier, in the novels and stories his prolific industry produced, left a series of pictures of Belgian life that won for him wide recognition in France. Emile Verhaeren, the poet, with something of Walt Whitman in his free vigorous verse, shows the spiritual, almost mystic quality that subsists in the Flemish nature, side by side with a love of colour and life.

M. Maurice Maeterlinck reveals this same mysticism in his philosophic and poetic work. Other noted Belgian writers of this period were Max Waller, the editor of *La Jeune Belgique,* who left some exquisite poems; Georges Rodenbach, whose poems and novels are filled with the charm of Bruges; Octave Pirmez, the author of meditative essays that have a sweet melancholy; Eugène Demolder who wrote realistic novels full of the rich colour of the old Flemish painters; and Charles van Lerberghe. Of the "Young Belgium" group, besides M. Maeterlinck, Albert Giraud and Ivan Gilkin, the poets, Georges Eckoud the novelist, Gustave van Zype, the playwright and critic, and Henri Carton de Wiart and Albert Mockel, Edmond Picard, Fernand Severin, Lewis Delattre, Georges Virres, Paul Spaak, Max Elskamp, Victor Kinon, Henry Davignon, and the poet E. Cammaerts, are still living.

In 1920 the Belgium Academy of French Language and Literature was founded, and is in some sort the recognition and consecration of the work

of *La Jeune Belgique*. In music, since the death of Gevaert, César Franck, Peter Benoit and Paul Gilson, the most prominent contemporary artists have been Dubois, Sylvain Dufreis, Mathieu, Wambach, Joseph Jonger, Eugene and Theo. Ysays, and Joseph Ryelandt.

BRIGHT OUTLOOK FOR THE FUTURE

In the autumn of 1919 the King and Queen, with Prince Leopold made a visit to the United States to thank the American people for the aid extended to Belgium during the war.

The Belgian people are practical and industrious, and by their own labour have largely restored their country. The ruins of war have, to a great extent, disappeared; industries have been rebuilt; factories reconstructed and modernised; the railways reëquipped; the finances of the nation, under the supervision of M. Theunis, the Prime Minister, have been placed on a sounder foundation and, for a country lately so sorely tried, Belgium is in an excellent condition.

No country in Europe possesses, in the same proportion, larger elements of future prosperity. Besides the immense resources of the Congo, and the mines and mills in the Borinage and La Louvière and the foundries and mines in Liége, there are the undeveloped regions of the Campine, those plains now covered with heather and gorse, that lie along the northern frontier stretching from Antwerp to the Rhine. There the riches are untold. It is estimated that enough coal for three hundred years lies there, and that in ten or fifteen years this plain of arid sands will have doubled the national fortune. Besides these coal-mines, a whole series of industries is being created in this district some of which, new to Belgium, are destined to enlarge the nation's economic field of action. In the little corner of Oolen, in the arrondissement of Turnhout, radium is being extracted, and, near by, great manufactories, established by American capital, are mechanically producing glassware and bottles. The riches of the Congo are illimitable; tin, gold, diamonds and radium are continually extracted in increasing quantities. In the year 1923 alone, 60,000 tons of copper were extracted from the mines in Katanga. In the Uéle are great cotton-fields and other important products that will serve the mother-country.

CHAPTER XXXII

HOLLAND'S THANKLESS RÔLE AS NEUTRAL

By Pieter Geyl.

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When the present century opened Queen Wilhelmina, not quite twenty years old, had reigned over the Kingdom of the Netherlands since 1898. Her father, old King William III, under whom parliamentary government had finally established itself, had died in 1890, and a regency had been necessary during the interval. It had been ably conducted by his widow, Emma, originally a Princess of Waldeck-Pyrmont.

Constitutional kingship in Holland does not leave the monarch much more influence on the actual government of the country than it does in England, and it cannot be expected that the young Queen should have left a very deep imprint on the period which we are about to review. Yet although most of her work is done in the strict privacy of the innermost council chamber, this much can already be said that the historian of a later date will not find the Queen's personality a negligible factor. The girl of 1898 has grown into a woman of considerable strength of will and capacity for affairs. September 6, 1923, the anniversary of the day, when twenty-five years ago she was crowned at Amsterdam, was celebrated amid universal respect and appreciation.

MODERN HOLLAND AWAKENS AFTER LONG DECAY

It was hardly a propitious moment for celebrating, for Holland was suffering very grievously from the aftermath of the war. From its very nature Dutch prosperity is liable to sudden eclipses. In its most brilliant periods it is based not on natural wealth, not on the possession of a fertile soil or mineral treasures, but on the industry of its inhabitants improving upon the situation of the country at the mouths of great rivers, between the most important European countries. After the Napoleonic wars Holland experienced a long period of economic and intellectual decay. She awoke from the nightmare of "the French time" to a new national independence to find the conditions of her old economic activity vanished from the world around her. Only the colonial possessions in the East Indies, which were restored to her by England, remained as a legacy from the glorious history of the Republic of the United Netherlands to be a source of wealth to the new kingdom. For the rest a new position as a commercial and industrial state had to be built up all over again with painful and slow effort. It was really only the foundation of the German Empire and the sudden rise of Germany as an industrial power of the first magnitude which gave an impetus to this development. The first years of the twentieth century reveal Holland still working steadily and successfully, full of energy and enterprise, improving her agricultural and horticultural methods, founding new industries, expanding her commerce and navigation. A great revival of intellectual activity had accompanied this eco-

nomic development from its early stages round about 1880. Dutch literature, however little known abroad, was pulsating with life and originality. Art flourished again after nearly two centuries of comparative sterility. The Dutch Universities had never lost their high prestige in the international world of scholarship, but in the closing decades of the nineteenth century Dutch contributions to science particularly began to flow with amazing abundance.

During the pre-war years of Queen Wilhelmina's reign this many-sided movement continued and seemed still to be gaining strength. It is too early to judge what effects the interruption of the economic development caused by the war will have on it. It is possible, and it is devoutly to be hoped, that the interruption may prove of so temporary a nature that the intellectual life of the nation will be able to absorb the shock. So much is certain, that for the moment Holland again finds herself in a world from which the conditions of her former prosperity have been suddenly withdrawn. The ruin of the German hinterland, the domination of France and Belgium on the upper course of the Rhine, the debasement of the currency in nearly all European countries affect Dutch exports, and Dutch international trade very adversely. Instead of invigorating expansion, retrenchment is the order of the day.

LONG ASCENDENCY OF THE LIBERALS ENDS

The early years of Queen Wilhelmina's reign coincided with the closing period of the long ascendency of the Liberal party in Dutch politics. Ever since 1846, when a new Constitution conceded full ministerial responsibility, the Liberal party had been the prime motive force in the development of state and society along modern lines. Towards the close of the century it was threatened from two sides. On the one hand there were the beginnings, slow and late compared with other European countries where industrialism was more highly developed than in agricultural and commercial Holland, of the Socialist party; on the other hand there was the increase in strength of the Confessional parties as well as the formation of a coalition between them.

THE "GODLESS" SCHOOLS

Holland is traditionally a Calvinist country, but in the nineteenth century the ruling middle-class had little of the old zeal left. The Dutch Reformed Church itself had become so latitudinarian that several secessions of strict Calvinists had occurred. And apart from that, the Roman Catholics, who never comprised less than one-third of the population, had shaken off the apathy and diffidence which had characterised their attitude during the period of Calvinist ascendency, and claimed their share in political as well as intellectual life. Calvinism, too, was galvanised into new life and organised politically. The two Calvinist parties which exist to-day (1924) find their adherents mainly among the landed aristocracy in the eastern provinces, among the peasants, and among the lower middle-class in the towns. Their political importance increased with every successive electoral reform which enfranchised the social strata below the well-to-do middle-class of mainly Liberal persuasion. Even so they could never hope to win an independent majority in the Second Chamber (the equivalent of the House of Commons in England). The Catholics had as little prospect of ever forming a Government by themselves. Yet Catholics and orthodox Protestants had their hostility to the Liberal ascendency in common, and one

grievance particularly they shared. The education which the State provides in Holland is of a strictly "neutral" character. There is no bible reading, there are no prayers. Many people looked upon this "Godless" education with horror and felt obliged in their consciences to save their children from its influence; but the private schools of the various sects, where the teaching could have the religious character which they desired, were not subsidised by the State. This situation at length, and in spite of the traditional enmity between the two creeds, led to a coalition of the Calvinist parties and the Roman Catholic party.

IN THE THROES OF BITTER RELIGIOUS STRIFE

The first real victory which this coalition won at the polls occurred in 1901. A new government was then formed under the premiership of Dr. Abraham Kuyper, the leader of the more popular one of the two Calvinist parties (the Anti-Revolutionary party), probably the most remarkable personality of the last generations of Dutch politicians. A brilliant writer and orator, Dr. Kuyper was idolised by his followers, whose religious fanaticism he knew how to rouse. During his period of power Holland was in the throes of bitter religious strife. Dr. Kuyper believed that for the purposes of practical statesmanship he could divide the nation, on the lines of what he called "the antithesis," into a Christian and a "Paganist" part. In practice, however, it soon became evident that the men whom he had united on the basis of religious principle were much divided on political issues of grave importance. On the whole the conservative section of the coalition set its mark on the administration; and the expectations of social reform legislation, cherished by the more democratically inclined followers of the coalition, were hardly realised. On the contrary, the harsh methods by which the railway strike of 1903 was crushed showed that the coalition would be more definitely anti-democratic than the Liberals had been and greatly embittered the Socialists, particularly against Dr. Kuyper personally.

The General Election of 1905 resulted in a stalemate. The "parties of the left" held just over half the seats in the new Chamber, but as the small band of Socialists held aloof, the new Liberal Government rested on a minority. It was in fact deplorably weak and came finally, after a few inglorious years, to grief over questions of national defence. It was succeeded by another Coalition Cabinet, from which, however, as it, too, could not count on a faithful parliamentary majority, the forceful personality of Dr. Kuyper was excluded. The great leader remained excluded when at the new election of 1909 the parties of the Right gained a working majority. The new generation of less trenchant but at the same time smaller minds maintained itself in the command. Mr. Heemskerk was the leading member of this Government. It again disappointed expectations, and the elections of 1913 resulted in its defeat.

The opposition parties, however, proved to be even more incapable than in 1905 of assuming the responsibilities of government. The Liberals had nothing like an independent majority, and the Socialists, who for the first time had made considerable progress, refused to coöperate, although Dr. Bos, the leader of the Radical section of the Liberals, who had been entrusted by the Queen with the task of forming a Cabinet, intended to concede the demand for manhood suffrage on which the Socialists had fought the election, and to which the Liberal party had allowed itself to be converted too late to save on the Left what it had lost on the Right.

THE DOUBLE PROBLEM OF SUFFRAGE AND EDUCATION SOLVED

In this difficulty an extra-parliamentary Cabinet was found by Mr. Cort van der Linden. In conformity with the verdict of the electors it bore a decidedly "left" character, but it set itself the task of ridding Dutch political life of both the questions which had landed it into such a wearisome impasse and which threatened to strike it with complete sterility. Mr. Cort van der Linden and his colleagues proposed to bring about a revision of the Constitution (for which purpose a two-thirds majority of the Chambers is required) by an agreement of all parties. In it the Clerical groups would find the solution of the school problem, and the Liberal and Socialist parties the final extension of the suffrage.

In spite of the fact that this Government quite unexpectedly had to withstand the terrible shock of the World War, it persevered with this task, and indeed the quickened sense of national solidarity in the face of danger from outside rather helped it to achieve its object than otherwise. In 1917, therefore, the salutary double compromise was translated into law. Universal suffrage and proportional representation were introduced. At the same time, the principle for which the Clerical parties had for so long contended, of absolute equality with regard to the public exchequer of "public" undenominational, or irreligious, education and "private" denominational education, was conceded in full and written in the Constitution.

The first elections held under the new suffrage law (summer, 1918) resulted in further disaster for the Liberal groups. The Cort van der Linden Cabinet resigned and another Calvinist-Catholic Administration was formed, under a Catholic Premier this time, Mr. Ruys de Beerenbrouck. This Government's mandate was confirmed by the elections of 1921, when the Coalition parties increased their number of seats to sixty out of the hundred which constitute the Second Chamber. The Socialists made further striking progress at the elections of 1918 and, although they lost some ground at the elections of 1921, they were still in January, 1924, after the Roman Catholic party the largest single party in the Dutch Parliament. The 1921 election was the first at which women's suffrage was in full working order. Seven out of the hundred seats are occupied by women in the present Chamber.

CONDITIONS AT THE OUTBREAK OF THE WORLD WAR

Holland is situated in a most dangerous spot, surrounded on all sides by the principal Powers whose wars make European history. It seems little less than a miracle that she managed to keep out of the conflict which raged all around her for over four years. As a matter of fact once or twice she escaped being drawn in only by a hair's-breadth, and the war affected her national life little less than it did that of the belligerents themselves.

Ever since the secession of Belgium in 1830–1831 Holland had had peace. In the twentieth century she lived on the friendliest terms with all her neighbours. A striking proof of the esteem in which she was held by the rest of the world was the selection of The Hague for the holding of the Peace Conferences in 1899 and 1907. It was with England that in the period under review Dutch public opinion, if not the Dutch Government, had the most serious quarrel. It took sides passionately in the Boer War, and not unnaturally it was the small Boer Republics, peopled by men of Dutch descent and Dutch language, which had all its sympathy. The Government

could only show discreetly that it was in accord with this popular feeling when it provided a man-of-war to convey the defeated President Kruger to Europe. It took action more likely to influence the course of events when in 1902 it offered a mediation which, although it was courteously declined by England, was yet utilised by her to start the negotiations that were to lead to the peace of Vereeniging.

Yet in the years immediately preceding the World War popular sentiment in Holland was not anti-British. The grant of self-government to the conquered republics had obliterated much of the bitterness caused by the conflict, and the preponderating feeling of Dutchmen when they surveyed the troubled world around them was one of aversion mingled with fear in the face of the blatant militancy of the German Empire on their eastern frontier.

This does not mean that there was any inclination to range the country on the side of the *Entente* in the dangerous political developments which were now dividing Europe into two groups of antagonistic powers. Attempts were made to draw Holland in. In Belgium a movement was started for a *rapprochement* between Holland and Belgium. That movement had nothing to do with the linguistic and cultural sympathies of which at the same time the Flemish population of Belgium began to be more and more conscious with regard to their northern neighbours. On the contrary, its promoters belonged exclusively to the Francophile circles of Wallonia and of Brussels, and their motives were purely political. They were the advance guard of London and Paris. This was fully realised in Holland where these openings were received with rather chilling caution. Just before the outbreak of the war the *Entente* press detected signs of a leaning towards the other side on the part of the Dutch Government in the plans which it laid before Parliament for the improvement of the fortifications at the mouth of the Scheldt. The contention, however, that Holland was obliged, or even that it had the right, to allow *Entente* forces to use the Dutch part of that river in case of a German threat to Antwerp was quite untenable, nor did the Government allow itself to be intimidated by these clamours.

GERMAN PLANS TO INVADE HOLLAND CHANGED

In fact, while the English and French papers hinted that Holland was acting under the compulsion of Berlin, the German General Staff had been so much impressed by the reorganisation of the Dutch army which had taken place some years earlier, that they had thought it necessary to rearrange their marching plans in the event of a war with France. It is now known that in the time of General von Schlieffen they intended to violate not only Belgian, but Dutch territory, trusting that when they rushed their armies westward through the Dutch province of Limburg (which juts out to the south covering part of the eastern frontier of Belgium), the Dutch army would remain inactive behind the "water line," the inundated area, which protects only the heart of the country, the provinces of North and South Holland. Von Moltke, realising that the Dutch army was made mobile and would be used to strike even if only that outlying territory were violated, decided to respect Dutch neutrality, even though the need to march round the protuberant corner of Limburg would delay the German advance from Crefeld by some precious days.

Holland's attitude before the great calamity burst over Europe, therefore, was strictly and impartially neutral. When the war broke out the Government at once made it clear that this was still to be so. Doubtless there were times when each belligerent group felt Holland's neutrality as a burden, but it was a practical necessity for Holland to maintain this policy.

A MILLION BELGIAN REFUGEES IN HOLLAND

Public opinion, of course, could not be kept within the bounds of neutrality. There was a group of German sympathisers in Holland, but it can safely be said that the general trend of public feeling was strongly anti-German. The violation of Belgian neutrality was the decisive factor. It afforded an object lesson of what Holland's fate would have been if the Germans had not for reasons of their own seen fit to respect the Dutch frontiers. The impression which the violation of Belgian neutrality made was deepened by the terrible incidents that accompanied it, by the sack of Louvain, and then by the stream of Belgian refugees, which swelled into a flood when the invaders reached Antwerp. Thousands and thousands of homeless Belgians were hospitably received on Dutch soil. At one moment the number exceeded one million. Hundreds of thousands went back to their country when things had settled down under the occupation. Hundreds of thousands remained till the end of the war, and the way in which they were cared for by a nation which was soon to suffer very heavy privations itself is one of the redeeming features of the history of the war.

STRICT NEUTRALITY MAINTAINED

Meanwhile the Dutch Government successfully maintained its attitude of strict neutrality. The army had been mobilised without a hitch in the last days of July, 1914. It was kept in readiness through weary years of waiting, at a big cost both financially and morally. Its strength was of 450,000 men. There were no serious incidents in which it had to lend a hand. Some thousands of Belgian and English troops had to be interned after the fall of Antwerp. Aeroplanes, too, both German and English, sometimes strayed on to Dutch territory. The naval forces occasionally had to intern a submarine or a destroyer, and to them fell the dangerous work of mine-sweeping along the Dutch coast. But in the main the service which was required of the armed forces of the country was the heavy one of keeping ready and waiting for a call which never came.

Sometimes the actions of the Dutch Government were disputed by one or the other of the belligerents as favouring their enemies. The Government — Mr. Loudon was Minister of Foreign Affairs — had from the first moment of the war decided to look for strength in a rigid adherence to International Law, and it strove honestly to let all its actions in the carrying out of the decree of neutrality be guided by its precepts, without fear or favour to either of the warring parties. Unfortunately, International Law is law at its vaguest, and cases were bound to arise in which it could be interpreted variously. Thus, for instance, England protested when Holland excluded armed merchantmen from her harbours. The English contention was that the article in Holland's original proclamation of neutrality to which Mr. Loudon appealed had been drawn up at a time when Germany's resort to unrestricted submarine warfare could not be foreseen; and it was in reply to those utterly illegal methods that England had started arming her merchantmen. In this case Holland was not to be moved from the position taken up. Another question gave rise to a more acrimonious discussion, and at one time seemed to bring the danger of her being involved in the war very near. This was the sand and gravel dispute, which dragged on through the years 1917 and 1918. The *Entente* Governments protested against Holland allowing the Germans to use the Dutch waterways for the transport of sand and gravel to Belgium as it

was there used by them for the construction of a new kind of ferro-concrete dug-outs. Mr. Loudon did not consider himself free to stop the whole of this traffic as sand and gravel was also used for works of peace, road repairs, etc., and as a matter of fact large quantities used to be sent over Holland into Belgium before the war. He consented, however, to ration the transport on the footing of pre-war statistics. The intricacies of the matter afforded material for endless disputes, and both belligerents put the severest pressure on Holland. England penalised her for concessions to Germany, Germany threatened her for concessions to England.

LUDENDORFF PLANS TO OVERRUN HOLLAND

At last, in the spring of 1918, when Germany was making her last desperate effort and seemed to be successful for a time, Ludendorff wanted this question to be used as a pretext to overrun Holland too, and make a dash for the Dutch ports. An ultimatum was actually presented, and it needed the determined intervention of certain representatives of the civil power in Germany to prevent the ruthless dictator from having his way. On the whole it can be said that the Dutch Government, as befitted the Government of Grotius' country, showed consummate ability in dealing with the various problems of neutrality which arose in the course of those four years; but all its ability would not have helped it if the honesty of its intentions had been open to suspicion.

The most real difficulties, however, in maintaining the neutrality between the belligerents were perhaps those contained in the economic situation of the country, which moreover began to be of the most tragic importance to the Dutch people when the war passed its first year. It is not what Holland did to others, but what others did to her that constitutes her war history.

BOTH BELLIGERENTS HAMPER DUTCH COMMERCE

We have already had occasion to note that for Holland international commerce is not a luxury but a necessity. Not only does it directly support an important part of the community; Dutch industries are dependent on it for their raw materials and coal, while only one-fifth of the grain consumed by the Dutch people is grown in the country. Sea-borne trade was gradually extinguished as the war went on. The Germans began by laying mines in front of the English ports. The English retaliated by laying a mine-field in the North Sea. In order to make their blockade of Germany effective they exercised an ever more stringent control over imports into the adjacent states, regardless of the provisions of the Declaration of London. They prescribed to neutral traffic a route along the south coast of England so as to be able to examine cargoes at leisure. The Germans retaliated by prescribing the route round the North of Scotland, and by declaring the Channel area an area of war. In March, 1915, the *Entente* Powers did away with all distinctions between legitimate and contraband trade and prohibited the import into Holland of all goods, of whatever nature, which could be suspected of being destined to be transmitted to Germany. All goods imported into Holland had to be consigned to an unofficial body (the Netherlands Oversea Trust), which possessed the confidence of the *Entente* authorities, and which undertook that they should go no further. In course of time the Allies pretended to regulate the entire economic life of Holland, allowing her the bare

necessities of life, withholding anything that could be used to replace goods sent to Germany. Even Holland's trade with her own colonies was not free from supervision. Protests were of little avail, especially after the only really powerful neutral, the United States, had entered the war.

Meanwhile in 1915 Dutch vessels had begun to fall the victims of German U-boats. After the unrestricted submarine war had been proclaimed early in 1917, it proved impossible even to get a fleet of seven merchantmen which had been held up in English ports safely home. Practically all traffic came to a stop then. Food scarcity began to be almost as serious in Holland as it was in the blockaded country itself. Bread was severely rationed. Meat was very scarce as the lack of imported fodder had necessitated the slaughtering of stock. Factories began to close down in 1917 for lack of raw materials and coal. In the last stages of the war the industrial life of the country was at a complete standstill. It is true, of course, that, particularly in the first year or two, much money had been made by men who speculated in exports to Germany. Those profits were as nothing compared with the losses of the nation as a whole. What with the upkeep of the mobilised army, and the dislocation and extinction of trade and industry, the war years added enormously to the public debt and at the same time impoverished the Dutch people.

FOREIGN AFFAIRS FOLLOWING THE ARMISTICE

It is small wonder that the conclusion of the Armistice was greeted with indescribable relief in Holland. But the peace had disappointments in store for Holland as for the rest of the world, and the new Government of Mr. Ruys de Beerenbrouck (in which Mr. Van Karnebeek was Minister of Foreign Affairs) was not to have a much easier task than the old.

One big surprise was the discovery that Belgium proposed to advance at the Peace Conference certain claims involving Dutch sovereignty. Holland found herself decidedly unpopular in some of the Allied countries. What she had done for the Belgian refugees appeared to have been forgotten. The firm refusal of the Dutch Government to surrender the fugitive ex-Kaiser, the only possible reply, as is now admitted on all sides, to a very ill-advised request, gave rise to excited denunciations of Holland's alleged tenderness for the Hohenzollerns. Holland's attitude in the war was systematically represented in the most unfriendly light. It was said in Belgium that Holland's claim to sovereignty over the Scheldt mouth, and her action in closing it against the Allied forces, had made the defence of Antwerp impossible, while her possession of the province of Limburg, that narrow strip along the Maas, had hindered the defence of Belgium's eastern frontier, which ought to have been based on that river. It might have been said with greater justice that Dutch control of the Scheldt mouth rendered the possession of Antwerp useless to the Germans once they had got there; and that Holland's possession of Limburg and her determination to look upon any violation of it as a *casus belli* had delayed the German advance at its most critical initial stage. All this was intended to serve the purpose of a group in Belgium, organised in the so-called *Comité de Politique Nationale*, which advocated a programme of annexations at the expense of Holland. For a time this question severely strained relations between Holland and Belgium. There never existed any doubt in the public mind as to the utter inadmissibility of any attempt on the integrity of the country. Not a particle of right could be advanced on behalf of these Belgian claims. The population of Limburg and Zeeland Flanders (the two regions coveted by the annexationists) proclaimed strenuously their loyalty to the Dutch fatherland.

The Dutch standpoint was that there could be no discussion of claims involving Dutch sovereignty as Holland had not been a party in the war and had honourably fulfilled her obligations as a neutral. If a revision of the 1839 treaties (which had constituted the Belgian Kingdom) had become necessary owing to Belgium's wish to be relieved from her permanent neutrality, the work should be done without prejudicing Dutch interests. Mr. Van Karnebeek, however, did not refuse to go to Paris to explain this point of view to the Council of Allied and Associated Ministers of Foreign Affairs, who heard M. Hymans of May 20 and Mr. Van Karnebeek on June 3, 1919. Their decision was entirely favourable to Holland, and it could not well have been otherwise. Grievances relating to the economic *régime* obtaining on the common waterways — for such, too, Belgium had put forward — were referred to private negotiations between the two countries.

In spite of this decision the annexationist agitation in Belgium did not die down, and that it still had the support of the Government appeared when a secret circular to "Belgian agents" in Dutch Limburg was brought to the light of day. The negotiations on new arrangements for the *régime* on the Scheldt, on the Ghent Terneuzen Canal, etc., were thus carried on under rather difficult circumstances. Yet Holland, although not admitting that the *régime* of 1839 had been harmful to Belgian interests, adhered to her determination to meet grievances in a conciliatory spirit. Early in 1920 a treaty in which several Dutch concessions were laid down was ready for signature. But all the work had been done in vain. A new dispute arose, about the sovereignty of the Wielingen, that is, the channel which leads into the Scheldt estuary and which runs out into the open sea along the Belgian coast. Holland has exercised sovereign rights over that water since mediaeval times, but Belgium now refused to continue the negotiations and to sign the treaty unless her claim to it were acknowledged. As Holland refused to give way, the negotiations were broken off and the economic *régime* of 1839 was continued. It has continued ever since, and nothing is heard any more about the grievances which loomed so large in 1919.

Many Dutchmen felt somewhat uneasy at the prospect of the dispute with Belgium remaining unsettled in a Europe which seemed only too likely to offer opportunities for picking quarrels and in which Belgium seemed to be able to count on the active support of France. Undoubtedly, however, relations have lately improved. It has not been lost upon the attention of the Dutch people that the Flemings never took part in the anti-Dutch agitation of the years after the Armistice; that on the contrary their most influential leaders denounced it vigorously. It is an observation which has not missed its effect upon the attitude of Holland with regard to Belgium. The development of the Flemish movement, which opposes the absorption of Belgium by French language and culture and attempts to rouse the racial consciousness of the people of the Flemish provinces, is followed in the northern country with greater interest since its political significance is more accurately appreciated. It should be explained — the fact is little known in other countries — that Dutch and Flemish are two names for the same language.

Mr. Van Karnebeek's conduct of the difficult Dutch-Belgian dispute, as well as of the question of the ex-Kaiser's asylum, was eminently successful, and added to the country's prestige abroad. In 1921 he represented Holland at the Washington Conference, and later in the same year presided over the League of Nations Assembly at Geneva with great ability.

But Holland has little power to influence the course of events in the world at large, and we have seen already that she is bearing her full share of suffering in consequence of the disorganisation and impoverishment of Central Europe. The fictitious prosperity which followed upon the cessation of

hostilities lasted no longer in Holland than it did in England, and a slack time began of which the end was not in sight in January, 1924. Shipping and ship-building particularly felt the effects, and no place suffered more from the occupation of the Ruhr area and from the preference granted by France to her own and Belgian commerce in Alsace-Lorraine than the great port of Rotterdam. Unemployment began to be a drain on Dutch resources no less than it was in England.

HOME AFFAIRS

We said that the Armistice had been greeted with relief by the Dutch people. Yet about that time their attention was almost monopolised by troubles of their own. Mr. Troelstra, the leader of the Dutch Socialist party, his imagination fired by the spectacle of the German revolution, toyed with the idea of imitating it among his own people. The attempt was a ludicrous failure. The Government took strong measures, and the people rallied to them. Yet a certain nervousness remained, and it is not perhaps unfair to mention the shock of the "November days" as one explanation of a zeal for social reform which characterised the years 1919 and 1920. Large sums of money were voted in aid of building societies and building schemes of municipal bodies. Not only were housing conditions greatly improved, but as architecture had become a living art again in Holland and the best architects were called in, the new quarters of many a Dutch town afford fine examples of modern building and have been studied and admired by the experts of other countries. An Act was also passed for restricting the hours of labour to forty-five a week. Holland was in advance of all other countries with this piece of legislation.

But with the lean years a reaction against these tendencies set in, although naturally the Trades Unions are not inclined to surrender without a struggle what they have won. On yet another point the stress of the times has occasioned a revulsion of feeling against legislation passed almost without opposition only a few years ago. The new Cabinet of the Right found itself placed before the congenial task of carrying into practice the general provision of financial equality for denominational education which their predecessors had written into the Constitution. It is now felt that the multiplication of small schools supported by public money, which had been the consequence of the Cabinet's measures, places an almost intolerable burden upon the taxpayer.

Gradually during these last few years the financial situation has become the central question of Dutch politics. Economy is the need of the hour. Only by cutting down expenditure can the budget be balanced and the stability of the guilder (which has so far wonderfully maintained itself) be assured. In the early summer of 1923 the Government strengthened itself with a new Minister of Finance, Mr. Colÿn, Dr. Kuyper's successor as leader of the Anti-Revolutionary party, and ex-Minister of War, ex-Director of the Royal Dutch Petroleum Company, and generally looked upon as the strong man of Dutch politics. He was to carry out a programme of ruthless economy. A great sensation was caused by a plan for cutting down by one-fifth all salaries paid by the State.

In January, 1924, all these plans were in the melting-pot. The Government had come to grief over a proposal for the strengthening of the defence of the Dutch East Indies. In spite of the Washington Treaties they considered the situation in the Pacific still to contain such threatening possibilities that they felt unable to bear the responsibility of power unless the

colonies were put in a better position to defend their neutrality in case of a conflict. The Naval Bill in which their plans were embodied, however, roused tremendous opposition from the public on whom at the same time they were impressing the need of economy, and in October, 1923, the Second Chamber rejected it by 50 to 49 votes. Ten Catholics voted with the parties of the Left.

The situation thus created is full of interest. Ever since the "school struggle" was settled many people hoped that the division of parties along religious lines would be replaced by the more natural one in accordance with economic and political opinions and ambitions. The rejection of the Naval Bill seemed to emphasise the need for a regrouping of parties. In 1913 it had been seen that the parties of the Left were unable to form a Government. The defection of the ten Catholics seemed to prove that the Coalition of the Right had lost its vitality. Many weeks have passed since Mr. Ruys de Beerenbrouck offered his resignation and that of his colleagues to the Queen in consequence of the defeat suffered over the Naval Bill, but no solution of the crisis had been reached in January, 1924.

We are leaving Holland therefore in a rather unsettled condition politically, and economically and financially depressed. Yet Dutchmen need not despair of the future. They have weathered many storms during the last decade. Their country had come through unscathed, impoverished no doubt, but with its credit unshaken, its material and intellectual equipment unimpaired. The people are adapting themselves to the hard times, not indeed without grumbling but bravely, and with that practical sense which has helped them through difficult moments before. The prosperity of the colonies is a bright spot even in the dark picture of to-day. If the intentions of France and Belgium sometimes give rise to uneasy speculations, much is hoped for from the steadying influence of the Anglo-Saxon Powers. And as soon as normal conditions are restored in Europe, Holland will be found in the front rank of European nations, ready to resume the forward march which we may trust the war has only interrupted.

CHAPTER XXXIII

DYNAMIC ITALY

By Signor Francesco Nitti

Formerly Premier of Italy.

I. Geographical Extent

During the first quarter of this century Italy has undergone many changes, but of all the great European continental countries it is the one that has changed least territorially. After 1912 she acquired a new colony, Libya; and after the World War, by means of the treaties of 1919, she changed her boundaries; but these changes are of slight account in comparison with those of Russia, Germany, Austria-Hungary and France, which, with Italy, were the five great continental countries of Europe previous to the outbreak of the war. Italy is a country of very small geographical extent. Before the war her area was 286,600 square kilometres (about 110,000 sq. miles); since the war, Trent and the Upper Adige, Julian Venetia, the little territory of Zara and a few islands in the Adriatic have been added, but the total of this addition is less than 26,000 square kilometres.

A small territory, indeed, in view of the large population which inhabits it — a population which is more than a third of that of the United States. Yet the area of Italy is about equal only to that of Arizona, while it is much less than one-half that of Texas. The consequence of the small extent of the area combined with a relatively very large population is that Italy is necessarily a dynamic country. Of all the great countries of continental Europe, Germany and Italy have the largest populations in proportion to their territory; they cannot live within their boundaries, but must export a large number of men, a large quantity of manufactured goods, or both together.

HIGH ITALIAN BIRTH-RATE

In all countries it has been observed that there is a diminution of the birth-rate as civilisation increases. This holds good generally and is true of Italy also; but in Italy the birth-rate still remains very high, while the death-rate is decreasing. Consequently the number of Italians in Italy is always increasing as does the number of Italians outside of Italy. In 1901 Italy had a population of 32,242,220; in 1905, it had increased to 33,138,033; in 1910 to 34,205,795; in 1915 to 36,120,118; and according to the census of 1921, and counting also the inhabitants of the territories newly annexed by Italy, 38,835, 941. This rapid increase in population is all the more remarkable in view of the fact that Italian emigration, both before the war and after, has always been very large. In 1900 Italian emigration to all the countries of the world amounted to 352,782, and from that year until the outbreak of the World War it always exceeded this figure — in some years, indeed, as in 1906, being more than double, and in 1913 even reaching a total of 872,598.



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The seaport of Fiume, long a bitter bone of contention between Italy and Yugoslavia, annexed by Italy in 1924 in agreement with Yugoslavia.



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Gabriele d'Annunzio, poet and soldier, who with the aid of a band of volunteers seized Fiume, September 11, 1919, and for fifteen months successfully defied the Italian Government and the whole of Europe. In March, 1924, he was created a Prince by King Victor Emmanuel.

SOME EMIGRATION FACTS AND FIGURES

So large an emigration is only possible because, for the most part, it is merely a question of Italian labourers going to European countries to work at certain seasons and then returning home; or going to countries outside of Europe for a few years, saving to form a small capital, and then returning to their own country to take up their original work once more. About three-quarters of Italian emigrants return. In 1913, the high-water year of Italian emigration, 872,598 left Italy, of whom 291,000 went to Western and Central Europe, 408,182 to North America (376,776 of them to the United States), 811 went to Central America and 147,332 to South America. Since the war, however, this state of affairs has changed, as Central Europe is in a state of great economic confusion, while the United States has seriously restricted immigration.

THE EFFECTS OF EMIGRATION ON ITALIAN POPULATION

But while emigration is a necessity for Italy at the present stage of her development, it is by no means certain that it is a benefit to her. Italy rears and trains workingmen who, arrived at the period of greatest returns, leave for foreign lands to sell their working power. On the one hand they send their savings to their native country; this is the credit side. But on the other hand, if their savings do compensate or partially compensate for the expenses of their training, they do not compensate for the demographic and physical deterioration of the population. The most active elements are removed and these either do not return at all or return under conditions of physical deterioration.

But emigration is still a necessity for Italy. In the five-year period preceding the war — 1909 to 1913 — the number of births exceeded annually, on the average, the number of deaths by about 430,000. Fecundity was so marked that the population, in spite of losses, increased at the rate of 1.2 per cent a year. In the five years before the war the annual number of emigrants was about 650,000, but 500,000 used to come back. The loss was about 150,000 inhabitants a year. Since the war, however, emigration has greatly decreased. In 1920–1922, an average of 325,000 Italians emigrated, but only 110,000 returned to their country. Thus the growth of population increases.

In the first ten years of the twentieth century through the difference between emigrants and immigrants, Italy lost one and a half million men; while according to the calculations of an Italian statistician, in the period of 30 years from 1862 to 1891, there was a loss of four and a half millions due to the excess of emigrants over immigrants — a greater loss than that of any other country. It is these immigrants who have formed the nuclei of the Italian colonies in foreign lands. In some parts of Brazil and particularly in São Paolo, the Italians possess a large part of the wealth; there are also very prosperous colonies of them in Argentina and in the United States of America, although in the latter country they are frequently in a position of inferiority, chiefly owing to their language and lack of organisation.

The World War has greatly injured the population of the European states, especially through the death and invalidism of the best portion of the young manhood. This has caused an economic and still more a moral deterioration. But if the population has grown worse, the character of the

Continental states has grown much worse. Europe has become "Balkanised" in the sense that the various peace treaties have created a large number of states which have no vitality, or whose composition condemns them to a continual internal and external struggle.

ITALIAN COLONIAL DEVELOPMENT

After 1900 Italy began to develop her colonies; but they can in no manner provide for the excess of her population both because the possibilities of development are limited, as in the case of Erithrea, and because, even though they are capable of being developed, as in the case of Italian Somaliland, they need a great deal of time and large sums of money which can be used more conveniently at home.

The colony of Erithrea has an area of 119,000 square kilometres with a population of a little more than 400,000 natives and 4,500 Europeans, mostly Italians. The climate and the agricultural conditions will possibly permit of a moderate development of the colony, in which Italy has built more than a hundred kilometres of railway and 1,200 kilometres of roads, and to which she has established regular steamship lines. In spite of all efforts, however, it has only been possible to develop the raising of animals and to lease a little more than 17,000 hectares (32,000 acres) of land. Thus the colony, even after many years, does not even pay the expenses of administration, its receipts for 1922–1923 being estimated at a little more than 10,000,000 lire, while the expenses amounted to more than 27,000,000 lire.

Italian Somaliland has a more promising future, and is the only colony that has not involved Italy in a real war, for it was occupied practically without bloodshed and has been held without military effort. As a result of agreements made in London by Nitti in 1920 (in accordance with the London Agreement, on account of which Italy entered the war in 1915), Great Britain has made notable concessions in the southern part of Juba, and has given in Kisimayo the possibility of a real port on the Indian Ocean. According to the London Agreement, Great Britain and France, in the event of victory, were to revise their boundaries in respect to the Italian colonies, making just compensation where necessary. England has shown that she is prepared to observe this agreement in connection with Italian Somaliland, but France has shown no inclination to do so beyond conceding a few districts in the desert.

The area of Italian Somaliland is about 400,000 square kilometres and the population about 400,000. Live-stock raising is fairly extensive, and a census taken on July 1, 1920, indicated 1,246,461 cattle, 1,666,308 sheep and 2,101,178 camels. In 1921–1922 the receipts of the colony were less than 7,000,000 lire, while the cost provided for in 1922–1923 was a little under 20,000,000 lire. Nevertheless Italian Somaliland is capable of great future development, and when Italy is able to invest a large amount of capital in this colony, it may become an important source of revenue, and may even slowly absorb bodies of colonists.

Libya is the colony which has cost Italy the greatest sacrifices, and notwithstanding long wars and heavy expense, seems destined to remain forever a heavy burden on the state's budget and a constant cause of anxiety. It is divided into the two colonial governments of Tripolitania and Cyrenaica, and previous to the Italian occupation in 1911 belonged to Turkey. It has always been a question why Italy ever went to Libya; the Government of the day asserted that she went there because if she had not, someone else

would have done so. It is not clear whether France or Germany was meant. The Italian occupation of the territory in 1911 brought on the war between Turkey and Italy (ending in the Treaty of Ouchy), which in turn gave rise to the Balkan Wars and to the ardent desire by Serbia for greater expansion.

Tripolitania has an enormous area of some 900,000 square kilometres and a population of about 550,000, mostly Arabs, Berbers, etc., with a little over 18,000 Italians. The territory is arid and for the most part desert and is little capable of economic development, but Italy has made heavy sacrifices to construct railways, to make roads, to establish steamship lines and to organise the public services. But the results have been, and always will be, very scanty. For 1922–1923 the expenditure was expected to be 141,000,000 lire, while for 1921–1922 the receipts were only 22,000,000 lire, obtained for the most part from the purchases of the Italian inhabitants themselves.

Cyrenaica, with a population of 225,000, of whom the majority are Arabs and Berbers, has an area of 600,000 square kilometres. Like Tripolitania, its soil, with the exception of a few districts, is very poor and incapable of cultivation, but railways and roads have been constructed and steamship lines established by Italy. In 1922–1923 the expenses provided for amounted to 119,000,000 lire, the receipts for 1921–1922 being 19,000,000 lire. In a word, for this immense and useless colony Italy has spent more than 3,000,000,000 gold lire.

II. Industrialisation of Italy

During the last 30 years Italy has solved the problem of intensifying her agriculture and of forming the fundamental nuclei of industrial life. The establishment of her industry has been particularly difficult. Hitherto, in all large modern countries, industry has been built up out of iron and fed with coal. Now, Italy is almost destitute of either substance; but among countries of more than 20,000,000 inhabitants, Italy is the only one in the world that has been able to create its industry, though lacking in both commodities and, indeed, in most raw materials. This transformation, full of obstacles as it was, was begun during the last twenty years of the nineteenth century and was completed mainly in the fourteen years of the twentieth century which preceded the World War. The chief credit for this effort is due to the persistence of the Italian people; but not a little is also due to the actions of Germany. Being, up to the time of the war, a party to the Triple Alliance, Italy was enabled to make use in no small degree of that intellectual effort which had placed Germany in the front rank in Europe. Germany's influence was very great in the field of research and intellectual studies, German technical knowledge was also widely used in Italian industries, and Italian banks were modelled essentially on those of Germany.

Lack of raw materials

In the years immediately preceding the World War, the situation in Italy as regards the production of raw material was relatively extremely difficult as she was not in a position to command any of the most important. In the matter of grain, out of 400,000,000 quintals, which constituted the average production for the period from 1909 to 1913, Italy produced little less than 50,000,000, and was consequently obliged to import on the average 14,500,000 quintals for her own consumption, a figure which became much larger during and after the war.

Italy produces no coal at all. A considerable amount of lignite is pro-

duced, but this is difficult to utilise. In the world production of coal and lignite for the year 1913 — 1,342,000,000 tons — Italy had only the insignificant share of 700,000 tons of lignite. The development of her industry as well as that of her railways has been based on the importation of coal, nearly all from England. In 1872 Italy imported 1,037,409 tons, a figure which rose in 1882 to 2,180,020 tons, and then to 3,877,571 tons in 1892, to 5,287,640 tons in 1902, to 9,338,752 tons in 1910, and to 10,834,008 tons in 1913. This last figure represents the largest importation, as during the war and as a consequence of the war there was a great diminution, the importation in some years having been as little as half this quantity.

Producing no petroleum, except in insignificant quantities, no cotton and only restricted quantities of iron, Italy has consequently been forced to build up her industry under the most difficult conditions, importing practically all her raw materials.

But, owing to the dense population of her small territory, Italy still imports, in spite of her increasing production, much of her food from abroad. The amount of this importation may be roughly stated at from thirty to forty metric quintals, or 100 kilogrammes (about 225 pounds) annually for each inhabitant.

INTENSIVE FOOD CULTIVATION

Examining the agrarian statistics for the first quarter of the present century, the following characteristic facts are notable: (1) the uncultivated lands have been reduced to a much smaller area, and now amount only to a little more than 1,500,000,000 hectares, which, on account of their slight fertility or their situation, are unsuited to profitable cultivation; (2) the proportion of the area sown with grain has remained almost unchanged, but the production has been greatly intensified; (3) the live-stock industry has developed greatly and the area of pasture land has increased; (4) the rich arboreal culture has been strengthened and developed, particularly the vines and fruit trees.

CONTRAST BETWEEN ITALY AND FRANCE IN RAW MATERIALS

Before the war, Italy imported about 30 million quintals of foodstuffs every year. France produces almost all her own food, England only enough for two days a week, and Italy sufficient for a little less than five days a week. Being forced to obtain supplies from without and to exchange the products of industry for the products of the soil, Great Britain's interest lies in a real peace policy. Since the war she has wanted peace, for harm inflicted on any great nation of Europe is harm inflicted on her, even though it be in a different degree. On the other hand, France has an agrarian production that suffices her own needs; she possesses, especially since the Treaty of Versailles, iron-mines that exceed her needs; she has appropriated, or is endeavouring to appropriate, and by any means, great quantities of coal; she possesses an abundance of fertilisers in her own territory and in her colonies; she strives to develop her colonies and desires to carry out one sole programme — to wit, the abasement and, if it is possible, the complete ruin of Germany. While economic conditions may not determine moral ideas and political programmes, they must inevitably exert a profound influence upon these social phenomena.

ITALIAN COMMERCE

Previous to the war Italy's foreign commerce had increased notably. In 1901, the total commerce amounted to 3,092,000,000 lire, that is, 95.04 lire per inhabitant. Of this total amount 1,718,000,000 lire, that is 52.81 per inhabitant, represented imports, while 1,374,000,000 lire, or 42.23 per inhabitant, represented exports. The development of this commerce, up to the time of the war, had been steady, and in 1913, Italy's total commerce amounted to 6,158,000,000 lire, or 173.83 per inhabitant, the imports being 3,646,000,000 lire or 102.91 per inhabitant, and the exports 2,512,000,000 lire, or 70.92 per inhabitant.

The difference between exports and imports rose from 344,000,000 lire in 1901 to 1,134,000,000 lire in 1913. Notwithstanding this, the Italian lira was at par with gold, and indeed often at a premium above gold. How, then, did Italy, having no credits in foreign lands, pay this difference in the commercial balance? Two items were of special assistance: the money sent home by the emigrants abroad and the money spent by foreigners in Italy. This last entry could be estimated for the period between 1901 and 1914 at from 500,000,000 to 700,000,000 lire a year. Even more important were the sums sent home by emigrants, which amounted in later years to almost a billion lire at par with gold.

For over thirty years before the war, Italy sold her richest agricultural produce to Germany, Austria-Hungary and Switzerland; she imported a large part of her raw materials from Russia. As a consequence of the war she has found herself in a state of real and destructive isolation.

Ships which left Great Britain with a full cargo — frequently of coal — deposited this cargo in Italy, where they took on board goods for the Black Sea. In the ports of the Black Sea they loaded oil, grain, etc., and returned to England, having taken on a new cargo in Italy, and iron and pyrites in Spain. For long periods of time Italy was able to obtain the most favourable freight rates and to buy coal at almost the same price that it cost in England, the ships making their trips with full cargoes both ways. As a consequence of the war, however, or perhaps of the bad and dishonest treaties of peace rather than of the war itself, the whole Italian economic structure has been greatly disturbed. Since America cannot sell in great quantities to Europe, where everything is in a state of chaos, she is obliged to limit immigration; consequently, Italy cannot count on her normal receipts from emigrants; her former markets in Germany, Austria-Hungary and Switzerland have in some cases disappeared; while the cycle of regular and cheap navigation on the Great Britain-Mediterranean-Black Sea route has been broken by the collapse of Russia.

During the period that Italy was at war, from 1915 to 1918, her imports greatly exceeded her exports every year, the enormous difference being paid chiefly by loans made in England and the United States.

The greatest evil is that since the war the difference in the balance has been greatly reduced but has not entirely disappeared; indeed, in 1923 it was still very large. Even in 1913 the imports were 16,623 millions and the exports 6,065 millions; in 1920, 26,853 and 11,757 millions respectively; in 1921 and in 1922 there was still a difference of about 6,000,000,000 lire. There has consequently been a greater diminution in these last years, but we are still far from a normal situation, although Italy, after 1920, has had as little recourse as possible to borrowing abroad.

VIOLENT DERANGEMENT OF ITALIAN EXCHANGE

From this situation, and from the inflation of paper money have arisen the phenomena of the drop in exchange and the increase in domestic prices. Before the war it was rare that the exchange was against Italy. Examining the average course of exchange from 1881 to 1914, it is remarkable that Italy maintained the par value of money, with unavoidable fluctuations, except in the period from 1892 to 1901; from 1903 to 1911 her exchange was very favourable. After the war, however, Italian money underwent a depreciation in some markets as great even as 59 or 75 per cent and this violent disequilibrium of exchanges necessarily brought about a great disorder in prices. After the war prices rose abruptly and there has never been a period when they really dropped.

INFLATION OF CURRENCY

On June 30, 1914, the circulation of paper money was only 2,698,000,000 lire and this figure has since risen to 21,000,000,000 lire, at the close of 1920 the circulation being eight times larger than when war was declared in 1914. The rate of the paper lira compared to gold, which was 100 per cent in the first six months of 1914, fell to 76 in the latter half of 1916, rose again to 82 in the second half of 1918 (in consequence of the measures taken by the Minister of the Treasury, Nitti, and agreements made with Great Britain and the United States of America); it later fell to 64 in the first half of 1919, to 28 in the first half of 1920, and since that year has varied pretty constantly between 22 and 26.

Italy, of all the victorious nations, is the one in which the cost of living is highest, prices since 1914 having risen on the average more than five times, while the prices of some commodities have risen as much as ten or fifteen times. If consumption has felt the effects of this state of things, production has felt it even more.

GROWTH OF ITALIAN INDUSTRY

Nevertheless many Italian industries, especially those that do not need large quantities of raw materials, and in which workmanship counts for more, have overcome the acute period of the crisis. In the years from 1903 to 1914 the power of steam boilers was doubled; great hydro-electric plants arose, some of them among the largest in Europe; while many new industries sprang up and many expanded considerably. The production of sulphur and of a few of the minor industries has diminished on account of the general conditions of the market, but the mechanical industries — the chemical, the textile, above all the cotton industry — have developed very greatly. Previous to the outbreak of the World War, considerably the best customer for Italian exportations was Germany, and the best market was the centre of Europe.

The most important and characteristic factor in Italian industry from the end of the nineteenth century to 1923 is the employment of hydraulic energy as a motor force, which constitutes almost a necessity for Italy in view of her total lack of coal; and in proportion to its area, no country possesses a greater amount of hydraulic power, which constitutes what is practically a necessity for Italy bearing in view the fact of her total lack of coal; indeed, considering the question in proportion to its area, no country possesses a greater amount of hydraulic power.

ELECTRIC POWER

At the beginning of 1923 it was calculated that the power of the electric plants in Italy amounted to 1,900,000 kilowatts of which 1,500,000 was in hydraulic plants and 400,000 in steam plants. In 1923 there were being constructed or plans were being prepared for plants developing 500,000 more kilowatts. In proportion to its area it has utilised more by hydraulic power than any other country whatever.

Italy can, without any very great effort, increase at least five times her present hydro-electric plants, and can construct in a few years plants capable of giving 9 or 10 million kilowatts. The average employment of the plants is about 4,600 hours a year. In 1913, at the time that she consumed most coal, Italy used only a little more than 11,000,000 tons. She will soon be able to receive from her hydro-electric plants an amount of energy equal to that which thirty-five to forty million tons of coal can give. Considering the economic structure of Italy, this is a large figure, though it may seem a small figure compared with the enormous energy at the disposal of the United States of America and of Great Britain and Germany.

What particularly concerns Italy is the distribution of her water. Italy is surrounded on the north by a great chain of mountains, the Alps. Another great chain of mountains, the Appenines, runs through her entire length. Being surrounded on every side, except the north, by the sea, Italy has a large number of waterfalls within a small area. Moreover, while the rivers in the north are highest in the summer, owing to the melting of the ice and snow in the Alps, the rivers of the Appenines are fullest in winter. The large number of reservoirs, which can easily be built throughout the whole length of the peninsula, make it much more easy, not only to utilise the power but also to employ it most conveniently, not merely in industry, but also, and particularly, in electric traction for the railways. According to official statistics, 76% of the consumption is in northern Italy, 16% in central Italy and 8% in southern Italy and the islands.

III. Transportation

The development of means of communication and of transportation has been very rapid in Italy. In 1860, when the Kingdom of Italy came into existence, there were 48,028 kilometres of national provincial and communal roads; in 1910 there were 148,380 kilometres; and before long Italy will have 200,000 kilometres of roads, almost all suitable for automobile transport.

In 1861 there were 2,189 kilometres of railways; in 1865 this figure had risen to 4,367 kilometres; in 1900 it was 15,884 kilometres; in 1914 it was 18,614 kilometres and in 1923 it was a little less than 21,000 kilometres, while the street car-lines which amounted to 5,523 kilometres in 1914 were, in 1923, much over 6,000 kilometres. The railways in Italy have been built under great difficulties, not only on account of the lack of coal and iron, but also on account of the mountainous surface of the land and prevalence of malaria in central and southern Italy. Italian labourers have a pronounced taste for road-making; it is an old tradition handed down from the Romans, who spread magnificent roads over all the known world of their day — roads that are many of them still in existence; indeed, there are in Italy to-day not a few districts where men still travel on the roads built by the Romans twenty centuries ago.

ITALIAN PORTS

Maritime navigation also developed in Italy under great difficulties. Italy has nearly 7,000 kilometres of sea coast. But the development of maritime traffic depends, not on the extent of territory bordering on the sea, but on the existence of well-equipped ports which have behind them a large hinterland of production or of consumption. Now Italy before the war had only a few large ports, mainly in the north, with a sufficient hinterland. Her large number of small ports are of little importance. The port of Trieste, which came to Italy after the war, is wholly inactive. It was the great port of German Austria, of Bohemia, of other territories of the Austro-Hungarian Empire. To-day the breaking-up of Austria-Hungary has deprived the port of Trieste of a large part of its importance, and it will be many years before it can recover it. Unlike the great ports of Germany and of Central Europe which have behind them a very large hinterland, none of the Italian ports, with the exception of Genoa, some of the smaller Ligurian ports, and — in part — of Venice, are capable of any great development. Naples is important only as a port of transit for passengers, in the sense that it is an important disembarking port, for ships that go to or come from the Orient by way of the Suez Canal. Vessels leaving Hamburg or Amsterdam for East Africa or the Indies, China, Japan, etc., stop in the Mediterranean to complete their cargoes; and in the same way on their return, stop to unload goods for ports in the Mediterranean basin. They are thus enabled to fill up their cargoes with ease and to offer cheap freight rates, and it is this that has been the greatest difficulty in the development of Italian shipping, and will continue to be so in spite of the intelligence of the Italian seaman, unless, when it reaches the right stage of development, it does as English, German and Norwegian shipping have done and goes in search of freight in all parts of the world.

A FEW FIGURES CONCERNING ITALIAN SHIPPING

In 1900 Italy had a sailing fleet which in tonnage surpassed its steamships; she had 5,511 sailing vessels with a capacity of 568,164 tons, and 446 steamships with a net capacity of 376,844 tons. But the proportion changed rapidly, as it has in practically all countries. In 1914, when war broke out, Italy had 4,773 sailing vessels with a net capacity of 348,959 tons and 949 steamships with a capacity of 933,156 tons. But the number of vessels has greatly increased through acquisitions made on account of war necessities and through the shipping acquired with the annexation of Trieste and of the territory of Julian Venetia. In 1921 there were 825 steamships with a net capacity of 1,433,261 tons.

Many international statistics of tonnage are computed in gross tons — that is, the internal capacity of the vessel. In the above the figures indicating the increase in Italian shipping are given in net tons — that is, that portion of the volume of the ship that can be used for the transportation of goods and passengers. The greater part of the trade between Italy and other countries goes by sea; of the total imports and exports in 1913 — 26,000,000 tons — 22,000,000 passed through the seaports. In 1921 the portion of the 19,000,000 tons of Italian exports and imports that went by sea was 14,000,000 tons. Much coal came by sea from Germany in 1921.

ITALY'S PLACE IN WORLD SHIPPING

The effect of the war has been to increase the world's tonnage. The world's fleet of steamers and motor-boats, which, in 1914, amounted to 44,000,000 gross tons, has risen to about 56,000,000 tons in 1922, but sailing vessels have been reduced to 4.7% of the tonnage of the world's fleet, while in 1914 they were still 7.9%. The total world's fleet on June 30, 1914, amounted to 45,404,000 gross tons, and Italy was in the eighth place with 1,430,000; on June 30, 1919, the world's tonnage was 47,987.000, and Italy still held the eighth place; on June 30, 1922, it was 61,343,000 tons, and Italy, with 2,699,000 tons, was fifth.

Considering the needs of the nation, the Italian fleet had not been sufficiently developed; in the last five years of peace three-quarters of the merchandise and one-half of the travellers going to or coming from abroad who embarked and disembarked at Italian ports, were transported on Italian ships, although only the coasting trade and the traffic between national ports were a monopoly of the Italian mercantile marine. The expansion of Italian shipping, like that of the shipping of other countries, has come at a time when trade was diminishing, and this has helped to make the crisis more acute.

In 1913 the merchandise loaded or discharged amounted to 32,000,000 tons; in 1919–1921 the yearly average of goods loaded and unloaded was only 19,000,000 tons.

DIFFICULTIES IN THE WAY OF RAILWAY EXPANSION

The railways also are in a condition of uncertainty following on the disorder wrought by the war. Since 1906 Italian railways have in a great measure been operated by the State. In 1923 about 16,500 kilometres were operated by the State and 4,500 by private corporations. Italy has few railways in proportion either to its population or its area — somewhat less than seven kilometres to every 100 kilometres of surface, while the proportion in Great Britain and Germany is 12 and in France is 10. Not only is the construction of railways exceedingly costly in Italy, but the long shape of the peninsula and the islands make it impossible to form great railway centres except in the valley of the Po. Two-tenths of the Italian railways have slopes greater than 1%; three-tenths are on curves, and at least one-twentieth underground in tunnels. In addition, the poverty of the ground, lacking fossil combustibles, and having very few metallic minerals, stands in the way of supplying a great mass of transportation material, and this makes operations more expensive.

During the war the Italian railways, like those of almost all continental Europe, deteriorated greatly; there was a large increase in the numbers of the operating force, and operation went on at a loss. Far from showing a return for capital invested, the railways are now debtors, although the indebtedness is being steadily reduced.

Italy has now a little less than 700 kilometres of railways run by electricity; she will soon have more than 800. The operation of railways by electricity on a large scale as soon as it is possible, will be of great advantage to Italy, because she can then dispense with imported carboniferous fuel almost entirely, and will be better able to operate the mountain lines.

The automobile lines of the State and of the communes have greatly developed; almost two-thirds of the communes possess automobile lines subsidised either by the State or by the communes themselves.

IV. Italian Finances

In a country such as Italy, the importance of State finances in regard to national well-being is greater than in other countries. As a matter of fact the State, even before the war, demanded of its citizens proportionately even larger contributions than did Great Britain, Germany and France.

But in spite of high taxation Italy increased her savings rapidly. The total of the deposits with credit corporations, ordinary savings banks and the postal savings banks, which, in 1900, was 2,512,000,000 lire, had more than doubled in the year preceding the war, while on June 30, 1914, it amounted to 7,595,000,000 lire. Italian savings also contributed largely to the emission of public loans and to many works of public utility. After the war there came a great change in the situation. Apparently savings have not diminished; on June 30, 1921, they amounted to 26,618,000,000 lire. Taking into account the loss of value of the lira, the ratio is not so very different. But the country still saves slowly and laboriously.

CAPITALISATION

The yearly capitalisation also — that is, the increase of national riches in all descriptions of economic goods, and of instruments of production, is increased only with difficulty; but if Italy is to avoid suffering she must have an increase of riches greater than the increase in population, and this does not happen every year, particularly since the war.

The State finances have received a heavy blow from the war, from which they are recovering only slowly and at a great sacrifice. The Tripoli undertaking in 1911 was a slight blow to financial order; the World War was a cyclone. In 1900–1901 the receipts of the State were 1,721,000,000 and the expenditure 1,671,000,000 lire — an average expenditure of 51.50 lire per inhabitant. Nevertheless, the taxes were regarded as burdensome. In 1913–1914, after the disasters brought about by the Libyan War, the receipts were 2,524,000,000 lire and the expenditure 2,738,000,000, the average expenditure per inhabitant being 76.91 lire. Thus, even previous to the World War a great increase in public expenditure on account of the development of all public services, was already an established fact.

REVENUE AND EXPENDITURE

But the expenses incurred during the war were necessarily so heavy, that Italy was obliged to contract huge debts, not only at home, but also abroad. In 1914–1915, the actual receipts were 2,500,000,000 lire and the actual expenditure 5,465,000,000 lire; in 1915–1916 the figures were 3,734,000,000 and 10,679,000,000; in 1916–1917 they rose to 5,345,000,000 and 17,634,000,000; in 1917–1918, 7,535,000,000 and 25,329,000,000; in 1918–1919, 9,674,000,000 and 32,452,000,000; in 1919–1920, 15,207,000,000 and 23,993,000,000; in 1920–1921, 18,820,000,000 and 36,229,000,000. Subsequently there has been inevitably an increase of receipts and a diminution of expenses, and the

deficit has been reduced by between four and five billion lire, with a distinct tendency to still further diminution.

During the whole period of the war and in the following years, Italy was obliged to make large issues of loans, a proceeding adopted by nearly all the European countries. But in comparison with France, Italy's debts are much smaller. Before the war the Italian public debt, in all forms, did not amount to thirteen billions and a half; on May 31, 1922, having paid almost all the war expenses, Italy had a debt of 114,000,000,000, calculating at par the 21,000,000,000 of loans abroad, an unsatisfactory calculation, since the Italian lira has lost greatly in value and the foreign debts are almost entirely in dollars and sterling.

PUBLIC DEBT

On this last-named date the debt was composed as follows: Public debt preceding the war 13,358,000,000 lire; consolidated national loans 35,903,000,000; ordinary yearly treasury notes, 25,253,000,000; notes due in three or five years or more, 7,238,000,000 lire; circulation of paper money, either of the State or for the account of the State 10,328,000,000; loans abroad particularly in England and the United States, calculating the lira at par, 21,361,000,000; deposits on account current bearing interest, in the departments of deposits and loans, 487,000,000; in all, 113,928,000,000 lire. At the end of 1923 the debt was not far from 120,000,000,000 lire. When we reflect that France with a population nearly equal to that of Italy, has a debt that is almost three times larger, we realise that Italy's debt is not as heavy as it might be. If, on the other hand, we consider the economic resources at Italy's disposal, then the debt is undoubtedly very serious.

Italy has greatly increased her system of taxation in the hope of being able to balance her accounts in a few years. While France has relied to a large extent on the indemnities which Germany and the conquered countries must pay, Italy has never attached any importance to this indemnity, being convinced that she must rely on her own energy, most Italians feeling that the best indemnity to be obtained from the conquered enemy consists of the reëstablishment of a real peace and a return to normal relations between conquerors and conquered.

WILD FINANCIAL LEGISLATION

The renewal of economic and financial activity in Italy would have been much more rapid if, in 1920, the Giolitti Ministry had not adopted a number of financial measures which destroyed all credit and rendered insecure the condition of all industries. For no particular reason, and acting on the impulse of demagogy, Italy instituted by law a parliamentary commission to inquire into the expenses of the war. All the more important industries had laboured in behalf of the State during the war; all found that they were subject to parliamentary inquisitions, and as a result, instead of passing from the period of crisis into one of production, they had to think of defending themselves. Moreover, the ruin of a large number of industries was brought about by a law unexampled in any country; in violation of existing laws, it was insisted that all war profits be handed over to the State. Everyone thought it right that the State should have a large share in war profits; but to take all was equivalent to forcing industries

into bankruptcy, or at any rate to injuring them very seriously. And as if this were not enough, the same Giolitti Ministry ordered that all bonds made out in the owner's name should be registered, while it abolished those payable to the bearer. Finally, and with an utter want of judgment, it raised the inheritance tax to a figure unequalled in any modern country, and by imposing extravagant taxation, inflicted great harm on certain solid industries such as the automobile industry. All these provisions of financial demagogy, created through prejudices, were later almost wholly abolished by the Ministries which followed; but they had already done very great harm, and Italian industry gave, after the war, the greatest proof of its endurance in not collapsing completely.

V. Italian Labour Problems

In order to reëstablish her economic security and her finances, Italy must above all rely on her capacity for labour and her ability to produce. In her labour phenomena, however, Italy faces peculiar conditions. Mobility is a characteristic of Italian labourers. At first labourers sold unskilled labour almost exclusively; but later, owing to the beneficial influence of the schools and especially of the professional schools, and to the marked development of Italian industry itself, Italy has been sending out skilled labour in an increasing ratio.

ALARMING INCREASE OF STRIKES

The years between the end of the nineteenth century and the World War were marked by a continual rise for Italian labourers, not only in wages, but in a general improvement of the standard of living and in their increased share in the life of the country. In some years, however, the workingmen have greatly abused this improvement by epidemic strikes. While in 1881 there were only 44 strikes in industries, and one single agricultural strike; in 1921 there were fully 1,042 industrial and 629 agricultural strikes. The highest number was reached in 1907 with 1,881 industrial and 377 agricultural strikes and a total of 575,000 peasants and workmen on strike.

The disorder among workingmen increased in the period immediately following the war. There were psychological causes for this. During the war strikes were prevented and were, in fact, very difficult to carry out. The illusions about Russia before the truth was known, easily created excitement. Finally, after the war there was much restlessness almost all over Europe, and the great strikes of this period had a contagious character. In some industries salaries had become too high; in others, the costs of production had become so high as to make it difficult for even the best organised concerns to exist. It was natural that salaries should not depreciate as rapidly as the fall in value of the currency, but for a while a paradox existed in that the increase in wages was proportionately greater than the increase in prices and, therefore, than the increase in the cost of living. From the middle of 1921 on, there has been a rapid tendency to lower wages, while the cost of living remains nearly stationary or, in some districts, actually rises.

Under the Giolitti Ministry during the summer of 1920, workingmen in many parts of Italy took possession, almost without resistance, of a large

number of factories. They had no very definite aim and gave evidence of no ability. Soon afterwards the illusions concerning Russia were dispelled, chiefly because a commission of Italian Socialists had gone to Russia and had been able to see at first hand that Bolshevism was not a desirable system. In the internal struggle between Fascisti, Socialists and Populars (Catholics) that occurred later, the unity of action of the working-classes had almost disappeared, and there had also arisen a strong spirit of resistance among the industrial classes. But certain peculiarities of the Italian situation caused this resistance, as we shall see below, to assume less determined form than elsewhere in Europe.

THE REACTION IN THE LABOUR WORLD

What depressed the condition of the working-classes most, however, after the summer of 1921, was the great lack of employment, which was felt all the more acutely on account of the falling-off in emigration. Workingmen do not strike when they know that it will be difficult for them to find new work. Consequently, strikes have decreased and workingmen's organisations have grown weaker. During the last year or so in Italy there has grown up, even in political movements, a real reaction, which to some degree seemed inevitable in view of the manner in which workingmen had abused the advantages acquired through their organisations and the democratic policy of Parliament. The reduction in wages and better discipline are the result, however, of deep-rooted economic causes rather than of political causes, which in their nature are limited and not enduring. It can be foreseen that the state of flaccidity and of indifference to work, which followed the war in all European countries, will gradually disappear and that we must necessarily come to smaller wages and to a marked depression in the labour market.

The actions of Italian workmen have generally been exaggerated abroad; these actions have often been rapid flashes without any depth. Italy is at bottom a very conservative country; and the noisy manifestations of certain social classes which in the past have attracted attention, are very far from being as serious as they would be in other countries, in which the disaffected classes of society are both more extensive and more highly organised.

Italy for that matter is the only country in Europe which in about 2,000 years has never had a revolution nor a great religious war. Popular uprisings of a local character, or municipal differences and partisan revolts, are easier to deal with than great movements, extending over large areas, which are more difficult to control.

THE WAR A SET-BACK TO ITALIAN CULTURE

The higher Italian culture made great progress between the end of the nineteenth century and the period that preceded the war; at present there is, as in all Europe, a feeling of dejection, especially on account of Germany, which, formerly the great stimulator, has now dropped out. The condition of the universities throughout Europe is less elevated as a consequence of the war — a phenomenon which has been noticed in Italy also. Popular instruction has made great progress, but, in spite of all efforts, less than was hoped for, since illiteracy has not disappeared, but continues to exist in a considerable degree in a large part of the country.

VI. Italy and the Triple Alliance

The Triple Alliance, of which Italy, Germany and Austria-Hungary were members, was to be essentially defensive. In its historical beginnings it had a mission of peace; to restrain Russian Pan-Slavism and France's desire for revenge. When, at the end of July, 1914, the World War broke out and the Triple Alliance lost its character of defence and peace and Austria-Hungary and Germany decided on war without even notifying Italy, the declaration of neutrality of August 2, 1914, became a necessity.

ITALIAN REASONS FOR ENTERING THE WORLD WAR

It is difficult to say on whom rests the responsibility for the war. Having examined not only all the yellow, red, white, green, blue, etc., books published by the various Governments, and having also read all the documents, which the public for the most part does not yet know of, the author has come, as did Lloyd George, to the conclusion that the responsibility for the war rests a little on everyone's shoulders, Russia's and France's, as well as Germany's and Austria-Hungary's. Italy kept out of war until the spring of 1915, when she, too, took part in the conflict, joining the side of the *Entente*. Occurrences and facts of various kinds influenced this decision; the deep impression made by the violation of Belgium by Germany, the mistakes and the violence of which the Germans were guilty in occupied territory, the menacing attitude of Austria-Hungary, which threatened severe retaliation against Italy, which had not joined in the action of the two Central Empires, in case these last should be victorious. Many Italians also hoped to see the reunion of Italian territories — all Trent and Trieste, the ancient aims of Italian irredentism.

Since she declared her neutrality before any other state, Italy made it possible for France to unite all her forces in August, 1914, and thus to make her resistance on the Marne. Entering into the war in the spring of 1915, when Russia was in a deplorable condition and already beginning to collapse, Italy made resistance possible. After the fall of Russia she was obliged to sustain alone the whole weight of the military action against Austria-Hungary, which had far more soldiers, and was better equipped with artillery and supplies.

ITALY'S BURDENS AND HARDSHIPS IN THE WORLD WAR

Of all the *Entente* countries, not counting Russia, it is Italy who bore the greatest burdens in the war and was obliged, in proportion to her wealth, to make the greatest sacrifices. Being an exclusively Mediterranean country, she obtained supplies with extreme difficulty during the terrible activity of the submarines, and for a long time her people were obliged to subject themselves to the greatest privation. The economic and military supplies of the Allies and their associates were directed chiefly to France because the French war front was considered, perhaps erroneously, as the most important. Finally, because Germany was believed to be the only real enemy to be conquered, Italy, which was fighting alone against Austria-Hungary in a most sanguinary and difficult war of exhaustion, often experienced very bitter hours of anxiety. Even after the terrible disaster of

Caporetto, which was more serious than, but did not differ from, other disasters that befell the French and British troops, Italy managed unaided to reëstablish her forces for defence, and continued to fight alone against Austria-Hungary up to the time of the final victory.

In this effort Italy not only lost 630,000 dead, but also a large part of her wealth, accumulated by slow and persistent labour. Many of her districts were devastated by the enemy, and she has rebuilt them by her own effort alone, without awaiting the payment of reparations. The territories conquered in the war are of value from the point of view of national defence and of Italian patriotism, but they have slight economic value and in this they differ from the territories acquired by the other conquering nations.

ITALY AND THE DESTRUCTION OF AUSTRIA-HUNGARY

Of the 54 million population of the Empire of Austria-Hungary only 14 millions — to wit, those who are still inhabitants of Austria and Hungary, now absurdly amputated — are considered enemies. The other 40 millions, changing the names of their nationalities, have been regarded as friends and given all the privileges of the conquerors, and have been allowed to annex many millions of Germans and Hungarians without any regard for nationality and the principles of self-government. Austria-Hungary was a name; the reality consisted in the peoples that constituted the empire. Now these peoples, since the war, owing to the almost invariably unjustifiable annexation of foreign races, are compelled to defend the policy of treaties and to maintain enormous armies.

As a consequence the political situation in Italy is now more secure than it was before the war, while the chief commercial currents have been turned away and the economic situation has grown much worse. This accounts for the disturbed conditions that have existed in Italy since the war and have manifested themselves in many different ways even in her foreign policy.

VII. Giolitti in Power

The period from 1900–1914 was marked by a democratic policy and was, on the whole, one of activity. On July 29, 1900, King Humbert I was assassinated and was succeeded by his son, Victor Emmanuel III, who is still reigning (1924). From the beginning of the century to the time of the outbreak of the World War, there were eleven Ministries; but we may say that apart from short intervals, the whole period before the war was ruled by Giolitti, who, for nearly nine years, was President of the Council and directed all political action even when he was not in the Government. It was of his own free will that he resigned from the Government in March, 1914, picking out Salandra as his successor. It was under the Giolitti-San Giuliano-Sacchi-Nitti Ministry that, by law of June 30, 1912, universal suffrage was granted to the people.

During this period all the Ministries had a democratic character. The real head of the opposition against Giolitti was Sonnino, who was twice at the head of the Government, but he never held his office long and stayed in only about a hundred days at a time. He represented the conservative tendencies, but showed marked sympathy for democratic labour legislation.

The work of Giolitti was in great part spoiled by the expedition to Libya, which occurred in the autumn of 1911. This expedition resulted in

the proclamation of full sovereignty over Libya. In the North African countries, Great Britain and France, in the presence of the demands of Islam, have never declared their full sovereignty in such countries as Morocco, Tunisia and Egypt, but have retained the former sovereigns with reduced powers, or replaced them by new sovereigns acceptable to the faithful. The inevitable war with Turkey, which arose out of it, led to the two great Balkan Wars, which, while not the cause, were the particular incidents that precipitated the World War. For it is very probable that the generally bellicose attitude of the Central and Balkan Powers was largely due to the events in the Near East in 1912–1913.

THE SALANDRA MINISTRY AND ENTRY OF ITALY INTO THE WORLD WAR

On March 30, 1911, Giolitti resigned office, and Signor Salandra succeeded him, finding himself without a majority of his own and at the head of a majority belonging to Giolitti at the date of the declaration of the World War in 1914. Having declared the neutrality of Italy, he attended to the increase and development of her armed forces. In May, 1915, he made Italy enter the war on the side of the *Entente* Powers. With the command of the troops entrusted to General Cadorna, Italy began the hardest war recorded in her history. Giolitti had been opposed to the declaration of war, and he was therefore the object of all kinds of accusations and unjust slanders. He lived almost isolated until 1919, when he was able, as conditions changed after the victory, to take up the Government again for the last time from June, 1920, to June, 1921. The Salandra-Sonnino Ministry in April, 1915, made the London Agreement, by which the conditions under which Italy entered the war were defined.

ITALY IN THE WORLD WAR

Italy did not declare war, however, until May 23, 1915; her armies crossed the Isonzo on June 2. Military operations met with little success in the Trentino, and the discontent which resulted led to the resignation of Salandra. In June, 1916, Signor Boselli succeeded him. Known and esteemed for his mildness, Boselli was the oldest among the Italian parliamentarians, being more than eighty years of age. An energetic man should have been chosen, who could have united every one in the struggle for victory. Instead the oldest was selected — one who was least disliked, and could lead to greater and more sincere enthusiasm by his patriotic speeches. Boselli, instead of gathering around him a few men of great energy, collected the most numerous Ministry that Italy had ever had: there were twenty-four Ministers, five of them without portfolio, two Commissary-Generals, sixteen Under-Secretaries of State. Events hastened upon one another. The collapse of Russia also helped to increase the military pressure on Italy, and painful incidents happened, ending in the fight at Caporetto, where Italy lost about half of her artillery and machine-guns, a great part of her supplies and a large number of men, who were either made prisoners or disbanded. Notwithstanding this military catastrophe, the responsibility for which has not yet been fully determined, Italy pulled herself together quickly and with only her own forces was able to check the invasion of the enemy at the river Piave and to offer resistance which ended finally in the last fight at Vittorio Veneto, by which the previous losses were in part redeemed.

FORMATION OF THE ORLANDO-NITTI-SONNINO MINISTRY

When the enemy was already on Italian territory, an Orlando-Nitti-Sonnino Ministry was rapidly formed, whose task was to reorganise all the national forces and restore confidence in victory. The command of the army was changed; a Supreme War Council was formed which had broad powers and was composed of the three Ministers mentioned, the military ministers, the heads of the army and navy, and Signor Bissolati. Signor Orlando by his patriotic speeches, roused public sentiment again; and Signor Nitti, as Minister of the Treasury, found that conditions were almost desperate. Not only was there nothing in the vaults of the Treasury, but there was a deficit of 242 million lire. In a short time Nitti was able to restore all the war material and also, when all lacked confidence, to secure more than six thousand millions of consolidated loans at home and large loans abroad. It was possible to spend 25,000,000,000 lire in 1917–1918 and 32½ billions in 1918-1919. Thus victory was attained. But on the question of foreign policy and of Italy's attitude in Europe, there was no agreement. Signor Nitti desired that at the Paris Conference, which paved the way for the Treaty of Versailles, Italy should stand for peace action in opposition to all imperialistic tendencies, and that she should disarm rapidly in turn, without any desire for adventure, to rebuilding the wealth that she had lost. Accordingly, in January, 1919, he sent in his resignation as Minister of the Treasury, and Signor Orlando, with Sonnino, Salandra and others, went to Paris.

THE FIUME CONTROVERSY

Great discontent was manifested in Italy at this time. On the one hand the Nationalist elements were displeased because their nationalist aspirations were not satisfied; they desired to annex all the territories included in the London Agreement; also the city and territory of Fiume, which was not included in the London Agreement. They further wished to obtain a stronger position in the Adriatic through a protectorate over Albania. The city of Fiume was not included in the London Agreement as Sonnino wished it to be assigned to Croatia, whether Austria-Hungary remained united or broke up. On the other hand, America did not recognise the London Agreement as it had not been communicated to her when she entered the war; she did not approve of it, and therefore Wilson was opposed both to the annexation of Dalmatia and to that of Fiume. In the city of Fiume, not only the Italian elements, but also the Hungarian elements, which are very numerous, were opposed to any annexation to Croatia, which was to become a part of the new Serb-Croat-Slovene State. As all the historians of the 1919 Paris Conference have told, Italy had no say and no direct responsibility for any of the decisions of the Paris Conference. Her representatives busied themselves almost exclusively with Fiume, the annexation of which was regarded in Italy as a necessity. Discontent was rampant. The Treaty of Versailles was drawn up and agreed to before the fate of Fiume and the Adriatic had been decided, and the fact that Signor Orlando and his chief assistants were absent from Italy made the internal situation worse.

Disarmament proceeded so slowly that six months after the end of the war, in March, 1919, 1,416,000,000 lire were still being spent on the army. Discontent spread, and there were strikes almost everywhere. More than

five years had already passed since the Chamber was elected, and a General Election was necessary. But nearly everyone agreed that it should not be carried out under the old law and demanded new and enlarged electoral districts on a proportional basis. The means of internal protection were lacking, because the Carabiniers and Royal Guards were reduced to less than half the needful number.

NITTI FORMS A MINISTRY

On the eve of signing the Treaty of Versailles, Signor Orlando resigned, and in June, 1919, Signor Nitti was called upon to form a Ministry. As he himself declared to the Chamber, he did not wish to accept an obligation placed on him under most difficult circumstances in which he would have to incur every kind of unpopularity; but he accepted as a matter of duty. And thus the Nitti Ministry came into being. It found itself confronted with a most difficult situation, strikes being prevalent even in the public service. It doubled the forces for internal protection. It had the electoral law on a proportional basis approved. Not wishing to issue paper money, it succeeded in floating the greatest loan Italy ever made — a loan of more than twenty-one billions of consols — thus diminishing the number of Treasury notes and stopping the increases of circulation. It was able to make other loans abroad and thus to improve exchange. It introduced new and heavy taxes and greatly reduced expenditure. Nevertheless, on account of its attitude in matters of foreign policy, it greatly irritated the Nationalist elements; and on account of its attitude in domestic politics, it irritated still more the Conservative elements. The elections of 1919 brought Socialists and Popularists in large numbers into the Chamber.

THE D'ANNUNZIO ADVENTURE — SYMPTOMS OF UNREST

In September, 1919, D'Annunzio, assisted by portions of the army and navy, occupied the city of Fiume, which was in controversy, and had no intention of leaving it, while Nitti did not wish to eject him with bloodshed. During and after the war 1,100,000 suits had been begun against soldiers who had either not presented themselves when summoned because they resided abroad, or had been guilty of some slight failure in discipline. Nitti issued a broad amnesty, excluding from it, however, all deserters; but even this amnesty was a cause for dissatisfaction in Nationalist circles. The Socialists were agitated by intemperate elements. Nitti, against the opinion of all, insisted on their sending a commission of their own to Russia to inspect the situation for themselves. Their journey proved a useful one, for on their return from Russia, the Italian Socialists, with the exception of a few enthusiasts, were all opposed to Bolshevism.

NITTI'S ATTITUDE TOWARDS WORLD PROBLEMS

By his attitude in foreign politics, Signor Nitti had greatly jarred French projects. At Paris in 1918 he was strongly opposed to the trial of the Kaiser and of the German officers. At the London Conference he upheld the necessity of reconstructing Europe and, with Lloyd George, prepared an economic manifesto, which declared that the so-called Repara-



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Signor Mussolini, Fascisti leader and Premier since October, 1922, photographed with his staff in the streets of Rome after he had assumed control of the Italian capital. Left to right: Signor Del Bono, Signor Mussolini and Signor De Vecchi.



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The first meeting of the Mussolini Cabinet in October, 1922, when the political and economic problems confronting Italy were resolutely attacked by the Premier and his colleagues.

tion policy was the ruin of all Europe. But the clash became acute at the San Remo Conference in the spring of 1920, over which Signor Nitti presided. Insisting upon his own ideas, he made the other members decide on the Spa Conference; he wished to abolish the Reparation Commission and to settle upon reasonable indemnities, in agreement with the Germans, in order to proceed to the business of disarmament and a real peace policy. He refused to send Italian soldiers with the occupation forces on the Rhine, and protested strongly when the French troops in violation of the very Treaty of Versailles, occupied cities on the right bank of the Rhine. After the San Remo Conference, violent opposition was shown to Signor Nitti not only on the part of the Nationalists, but also of the Democrats. There were some riots in Rome on account of Dalmatia. The strangest and most ridiculous things were said at the time, among them that Nitti was a friend of English and American finance and that America had aims on the Adriatic and especially on Fiume.

Nitti was obliged to deal with the bread question. The State was losing over a thousand million lire a month in its attempt to keep down the price of bread; this condition of affairs had to end, and Nitti ended it by a decree which aroused enormous and widespread agitation, provoked by Socialists and encouraged by the Conservative elements. Consequently, in June, 1920, Nitti sent in his resignation.

GIOLITTI IN OFFICE ONCE MORE

It was not easy to find a successor for him considering the condition of men's minds; so Giolitti was now summoned by those who had called him the enemy of Italy. He remained in power from June, 1920, to June, 1921. He, too, was obliged to provide by law for the price of bread. He did it after great delay and consequently with less benefits to the finances. He also adopted a system of financial regulations which did great harm to production and upset the market just at a time when it should have been given greater stability, and which included the parliamentary investigation of all war expenses, the confiscation of war profits, the compulsory registration of securities and the heavy taxation of inheritances, automobiles, etc. The market was so shaken by these measures that depression came quickly. Giolitti had always wished to govern in accord with the Socialists; not succeeding in this aim he fought them bitterly.

During his term of office the invasion of the factories by the workmen occurred. The foreign policy had been directed to agree completely with the French demands to break up Germany. Thus the Spa Conference had no significance for Italy. In the question of Upper Silesia she was on France's side, breaking away from Great Britain. Giolitti signed the Treaty of Rapallo with Yugoslavia and cleared Fiume by force of D'Annunzio's irregular troops; with no great opposition he then gave up Vallona also, the Italian possession of which was not only accorded in the London Agreement, but was admitted even by Wilson to be necessary to Italy. Giolitti resigned in June, 1921.

MUSSOLINI AND HIS FASCISTI

To the agitation over Fiume, there was added shortly afterwards, chiefly through Benito Mussolini, the Fascist agitation, which at first developed slowly, later spreading rapidly. Mussolini had always been a revolutionary

Socialist, and had directed the official newspaper of Italian Socialism. During the World War he declared himself in favour of the aims of the war, left the official Socialist newspaper, and took part in the war. Later he founded a newspaper, *Il Popolo d'Italia*, which, however, appeared with the designation of "a socialist newspaper." The Fascist movement in its origin had amongst its aims: The Italian Constituent Assembly, intended to be the Italian section of the International Constituent Assembly of the People, which was to set to work on the transformation of the political and economic basis of social life and to secure, without intervening steps, the development of civilisation; the proclamation of the Italian Republic, with self-government for the districts, and popular sovereignty carried out by means of the proper executive organs; the abolition of the Senate and of every other artificial body that limits popular sovereignty; the abolition of all caste titles; the abolition of obligatory conscription, with general disarmament; the creation of great national organisms of credit; etc. At first, between 1919 and 1920, Fascism had a political-revolutionary character, and betrayed its Socialist origin. But the struggle between Fascisti and Socialists, who had common beginnings, gave a national character to Fascism and later, in spite of its origin, a Conservative character. The joining of many men who had served in the war helped in bringing this about, and of what had been its early programme, not even a memory was left. Everywhere the struggle between Fascisti and Communists became greater and the Fascisti slowly took on a military organisation. There developed also in them, as a reaction from the depression of the war which had arisen among the Socialists, a spirit of patriotic enthusiasm. The Fascisti adopted as their emblem a black shirt, and formed battalions disciplined in military fashion. After the resignation of the Giolitti Ministry the Fascisti, who had already got into the Chamber in large numbers, mostly on the list of Government candidates, assumed the attitude of being the Government party and began to declare that they intended to take possession of the Government by force.

THE BONOMI AND FACTA MINISTRIES

In the struggle that broke out between Giolitti and Nitti on account of their opposing views regarding external policies, and the difference in the value they set upon internal and financial policies, Signor Bonomi intervened, succeeding Giolitti in June, 1921. He, also, had begun as a Socialist and had later become a Conservative. Unable to make a decision, he neither accepted Fascism nor fought it; and in his foreign policy he was equally undecided. After a short term of office he was obliged to resign and Signor Facta succeeded him. He formed two Ministries that did not last long. During his term of office, not wishing to assume responsibility, he allowed things to grow worse. The Fascist party having the sympathy of the Conservative classes, obtained arms and equipment; and the cowardly, and at the same time, demagogical and vulgar behaviour of the Italian Socialist party aided its development; it did not dare either to side with the Revolution or with the existing order of things. It may be said that more than anything else the continuously undecided and pusillanimous, and at the same time, irritating behaviour of Socialism contributed to the development of Fascism. In view of the unquestionable weakness of the Government, the Fascisti succeeded in creating not only a political organisation, but a military organisation as well, highly disciplined and equipped with cannon, machine-guns and rifles.

MUSSOLINI AT THE HEAD OF THE GOVERNMENT

On the occasion of the Congress at Naples (October 24, 1922), the Fascisti desired to call together a large representation of their numerous forces. But many had already decided to march on Rome and seize the government. Signor Facta decided only on October 28 to publish a proclamation in which he said that the Government was determined to use all means against the seditious demonstrations which were destined to throw the country into the greatest disorder, and to maintain public order at any cost. But these were merely words, and the Fascist expeditions were already marching on Rome. The King then decided to call upon Mussolini and to entrust him with the charge of forming a Ministry. The new Ministry was formed on October 30, 1922, composed not only of Fascist elements, but of men from various sides of the Chamber. Signor Mussolini kept for himself the two Ministries of the Interior and of Foreign Affairs. In his speech at Naples on the eve of these events, Mussolini did not speak of a republic, as he had previously, but he showed his thorough contempt for Parliament and democratic institutions.

Mussolini summoned the Chamber on November 16 and spoke with violence. He declared that the Italian people had formed a Ministry for themselves, outside of all parliamentary regulations. It was the Black Shirt Revolution asserting its rights. "I could have turned this dull grey hall into a bivouac of Fascist battalions," he said, "but I have refused to abuse my victory and I could have extended this victory." With regard to a programme, he declared that it was not programmes that were lacking in Italy, but men, and the will to victory.

"All the problems of Italian life," he said, "have already been solved on paper; but the firm will to translate them into deeds has been lacking. The Fascist Government must represent this firm and decided will. The leading principles in internal politics must be economy, work and discipline." Then he asserted the need of squaring the balance-sheet and of reëstablishing the authority of the State.

SOME FASCIST MEASURES

The Fascist Government has repeatedly declared that it wishes to square the balance-sheet and, therefore, to make great economies; that it desires a powerful army and, above all, a large aviation force. After abolishing the Royal Guards, it established a National Fascist Militia, directly dependent on the President of the Council, an institution unknown in any other country of Europe. Finally, he presented to Parliament an electoral reform based on the idea that the party which has the largest number of votes has a right to two-thirds of the representatives. The other third is divided up among all the other parties, even if, when taken together, they have a much greater proportion of votes. In some branches of Fascism, an open tendency to imperialism has been made manifest; but this tendency has taken no concrete form, nor has Italy, since October, 1922, committed any act that could be called imperialistic.

To the measures that it has taken, the Fascist Government has imparted a conservative character. Having abolished registered securities, it has also abolished the inheritance tax between ascendants and descendants, which is a new thing in legislative finance. It has also adopted measures furthering

capital. The Fascisti have declared their aversion to Freemasonry; no Fascist can continue to be a Mason. Many workingmen's syndicates have gone over from Socialism to Fascism. Mussolini has, even in his later speeches, shown great indifference to constitutional form and to the forms of democracy and liberty. He has avoided suppressions involving bloodshed and has endeavoured to carry out the Fascist Revolution without loss of life. As Fascism has absorbed the Nationalist party, it has inherited many of its inclinations, but in greater moderation, although it, too, through at least a part of its representatives, still talks of Imperialism.

THE PARTING OF THE WAYS

It is too early to form any judgment or to make any prophecy. We can only say that Italy, among the great states of Europe, finds herself in a wholly exceptional political situation, and that when order is restored, she must either return to democratic institutions or else, after a series of crises, turn to autocratic rule.

Italy is a land of great vitality whose native population possesses great power of resistance as well as great power of expansion; Italy has workingmen that are sober and robust; and particularly, the Italians have an outspoken will to live and to assert themselves as a great nation. A number of aberrations which foreigners find difficult to explain are the result of this outspoken will, which at times assumes striking forms and gives rise to sharp contrasts. But incidents which in other countries would be extremely grave, are not very serious in Italy, because of the genius of the Italian people, who are very adaptable and by nature not inclined to excesses; thus, they have never even had real revolutions or real religious wars. In dealing with Italy, we are dealing with a dynamic country, whose strength lies above all in its ancient civilisation, which is constantly being renewed, in its rapidly increasing population, in the robust resisting power of its native stock.

But in order to overcome all her difficulties, Italy more than any other country on the European continent needs a true peace policy, a policy aiming at the rehabilitation of European economic life, especially owing to the peace treaties and the violent and unjust applications that have been made of them.

CHAPTER XXXIV

JAPAN ENTERS THE WORLD ARENA

(1900–1924)

By M. Hanihara

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When the curtain rose upon the twentieth century, the Orient revealed a new world Power. Japan, by dint of achievements in the arts of peace and of war, had emerged from obscurity and had taken her place in the family of nations.

Although the world was prone to attribute Japan's sudden rise in power to her victory over China in the war of 1894–1895, that victory was only a result of the internal reform, to which Japan had devoted a generation of a most assiduous labour. No doubt it was a consideration of this internal reform and the demonstrated capacity of the Japanese that caused the Powers to consent to the abrogation of extraterritoriality that they had established in Japan. Britain was the first to come to this decision, and by her action in 1894 caused the other Governments to follow suit. Almost simultaneously, that is, in 1897, Japan succeeded also in obtaining a revision of the inequitable customs tariff imposed upon her by foreign Powers when the first treaties were concluded. In that year, too, Japan adopted the gold standard which enabled her to place her finances upon a sound basis.

The years 1896–1898 witnessed the promulgation of the new Civil Code framed along modern lines after a stormy contest between the English and French schools of jurisprudence, thus preparing the way for the enforcement of the revised treaties, which were to put all foreigners under Japanese jurisdiction by August, 1889. The same year was made notable also by the organisation of the first party Cabinet under the leadership of Count (later Marquis) Okuma. The Constitution had been in operation for nearly ten years, and although its practical working was far from ideal, the constitutional form of government had been established beyond any peradventure.

These important developments followed one another in rapid succession, as Japan stood upon the threshold of the twentieth century. It was at this time that a great politico-military upheaval in China, known as the Boxer disturbance, unexpectedly brought Japan into greater prominence. In that extraordinary incident, in which the lives of beleaguered foreigners, 1,000 strong, including the entire diplomatic corps, quivered in the balance for more than fifty days, the western nations, situated far from the murderous scene, naturally looked to Japan for rescue. And the Japanese responded heartily and promptly. The strict discipline displayed by the Japanese troops in the fight against the Boxers elicited universal admiration from foreign observers. Not only did they prove themselves gallant, but few of them were found guilty of participation in the pillage and massacre which unfortunately followed in the wake of the rout of the Boxers.

Europe, particularly Great Britain, was not slow in appreciating the new factor which was thus injected into Far-Eastern diplomacy, aye, into the world situation. That appreciation crystallised in January, 1902, in the Anglo-Japanese Agreement, which was destined to play for twenty years a most important part in the diplomacy of the world.

THE FIRST SHADOWY ANGLO-JAPANESE ALLIANCE

For England the Agreement of 1902 was an unprecedented instrument. She had deliberately descended from the dais of "splendid isolation," and grasped in hearty greeting the hand of a new nation, not western but oriental. For Japan the Agreement opened a new epoch, placing her for the first time among the foremost Powers of the world.

The Anglo-Japanese Agreement of 1902 was not an alliance in the strict sense of the term. Rather it was a mild promise for coöperation in the interests of peace in the Far East. It simply provided that in case either of the high contracting parties went to war with a third Power to defend its interests in the Far East, the other would remain neutral but would employ its influence to prevent other Powers from joining the war against its ally. Only in the event of an outside Power or Powers coming to the assistance of the Power warring against either contracting party, the other was to render it armed aid.

For some years Britain had been watching with great apprehension Russian encroachment upon China and Korea, and she looked to Japan as the logical nation to checkmate that encroachment. To Japan the Russian aggression spelt immediate menace to her existence. In the empire scheme of the Tsar the absorption of Manchuria and Korea was regarded only as a stepping-stone to the domination of Japan. What wonder that the latter should come to a supreme determination to oppose the Russian advance at any cost?

To realise Japanese fear of Russia we must go back to the Chino-Japanese War of 1894–1895. That war, though fought against China, was virtually directed against Russia, because, in her attempt to annex Korea, China was naught but a cat's paw for Russia. Once Korea should come under Chinese domination, Russia could act in the peninsula much as she pleased, as she had already firmly established her influence in Peking. She had been coveting an ice-free port in South Korea which she considered essential to securing communication between Vladivostock and her prospective base in China or Manchuria. When, therefore, Japan checked Chinese aggression in Korea, she really frustrated Russian designs upon that country.

RUSSIAN ENCROACHMENTS IN THE FAR EAST

Russia's act at the close of the Chino-Japanese War disclosed the ominous nature of her designs. When China, humbled by Japan's superior organisation, offered the Liaotung Peninsula as the price of peace, Russia, bringing Germany and France in her train, immediately intervened, and compelled Japan, in the name of "permanent peace of the Far East," to retrocede that territory to China. Of course the stage had been pre-arranged between St. Petersburg and Peking. No sooner had the Japanese retroceded the territory than the Tsar took it as the price of his "services" to China. From that time the Russian advance in China became open and bold.

The Boxer uprising naturally furnished Russia with the desired pretext to pour troops into Manchuria, although that province was little affected by the disturbance. Even after the disturbance was quelled by Allied efforts, Russia showed no intention of withdrawing the troops from Manchuria. On the contrary she was strengthening her position, intent upon staying there permanently. Japan, backed by Britain and America, protested repeatedly. Russia paid no attention. Japan, conscious of her deficiency in man-power and financial strength, earnestly sought to avoid armed conflict with Russia, and as a last resort endeavoured to obtain from the Muscovite a definite promise that he would desist from encroaching upon Korea, in return for Japan's recognition of his special interests in Manchuria. Again Russia refused to consider the overture. She was determined to absorb both Manchuria and Korea. That was the last straw for Japan. The war that followed immediately is known to the world and is described elsewhere.

RESULTS OF THE RUSSO-JAPANESE WAR

The Russo-Japanese Peace Treaty, signed at Portsmouth, New Hampshire, in September, 1905, agreed, among other things, upon these points: (1) recognition of Japan's paramount interests in Korea, (2) transfer to Japan of the lease of the Kwantung Peninsula (more popularly Port Arthur and Dairen) formerly occupied by Russia, (3) cession to Japan by Russia of the southern half of Saghalien Island, (4) cession by Russia of the railway between Port Arthur and Chang-chun, (5) stationing of Russian and Japanese railway guards, respectively, along the Russian and Japanese lines in Manchuria, (6) abstinence of both Powers from using the Manchurian railways for strategical purposes.

THE SECOND ANGLO-JAPANESE ALLIANCE

While the peace negotiations were still going on at Portsmouth, or to be exact on August 12, 1905, the world was surprised by the announcement of the second Anglo-Japanese Alliance. This was not like the shadowy alliance of 1902, but a defensive and offensive alliance in every sense of the term. Its scope was broadened, including India in addition to the Far East. "If by reason of unprovoked attack or aggressive action, wherever arising, on the part of any other Power or Powers, either contracting party should be involved in war in defence of its territorial rights or special interests" in these regions, "the other contracting party will at once come to the assistance of its ally." The treaty insured the independence and integrity of China, and recognised Japan's "right to take such measures of guidance, control and protection in Korea as she may deem proper and necessary," while it recognised England's right to "take such measures in the proximity of the Indian frontier as she may find necessary for safe-guarding her Indian possessions."

The *raison d'être* of the alliance of 1905 was Japan's fear of Russian revenge, and England's apprehension of Russian advance towards India, while the rising tide of German influence also entered into consideration.

Plainly, the Anglo-Japanese Alliance aimed to forestall aggressive war on the part of a third Power or Powers. It never was intended to be a weapon of aggression. Although the pact was formed to protect the contracting parties against possible Russian aggression, neither had any desire to provoke Russian enmity. On the other hand, both were desirous of befriending Russia

so that there would be no occasion for further conflict. It was with that end in view that Japan, in 1907, signed a convention with Russia, putting the two former enemies in the relationship of an *entente cordiale.* Almost simultaneously Japan concluded a similar agreement with France. This was followed, in 1908, by an understanding with the United States, commonly known as the Root-Takahira Note.

JAPANESE IMMIGRATION IN CALIFORNIA

All these agreements had a common object, namely, the preservation of the peace of the Far East and in the Pacific. In spite of these agreements Japan's foreign relations were far from smooth. In the United States and Canada Japanese immigration began to arouse antagonism on the part of the native citizens. Then, too, Japan's expansion in Korea and Manchuria, though a result of the unforeseen march of events rather than of a premeditated plan, occasioned growing suspicion and antipathy.

American opposition to Japanese immigration came to a head, when in 1906 the San Francisco municipal government ordered Japanese children out of the public schools, and proposed to provide a special school for them. As a matter of fact, the real cause of trouble was not the presence of a small number of Japanese children in the public schools. What was really objected to was the immigration of Japanese labourers. The exclusion of the Japanese school children was meant to be a vigorous and effective means of expressing that objection.

President Roosevelt acted with characteristic firmness, intimating that the action of the San Francisco municipality violated alike the Constitution and the treaty with Japan. In his message to Congress he recommended the naturalisation of the Japanese. "Not only must we treat all nations fairly," he said in the message, "but we must treat with justice and good-will all immigrants who come here under the law." Such expressions called forth a storm of protests from California, whose delegation hurried to Washington and made every effort to let the Federal authorities see the situation as California would see it.

The upshot of it all was that San Francisco reinstated the Japanese children in the public schools, while the Federal Government entered into negotiation with Japan for the restriction of Japanese immigration. Japan's attitude on this question was conciliatory but dignified. She had no intention of embarrassing any foreign government by sending immigrants where they were liable to become a cause of friction with the native population. She was, therefore, willing to listen to any reasonable proposal for the restriction of Japanese immigration. At the same time, she maintained that such restriction should be done in a way that would not infringe upon her national honour and prestige. She believed that the great nations, which had by common consent admitted her into their family, would not stultify their own estimate of Japan by adopting measures which might fix upon her the odium of inferiority.

If international good manners meant anything, Japan was entitled to respectable treatment. She recognised the right of any Government to exclude or restrict foreign immigration, but such exclusive or restrictive measures should not take the form of open discrimination and public insult before the world. To put it plainly, Japan was ready to restrict of her own accord the emigration of her nationals of the labouring class, but was unwilling either to sign a formal treaty for that purpose or to be subjected to arbitrary discrimination.



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Yoshihito, the 122nd Emperor of Japan, who came to the throne in 1912.



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The late Emperor Mutsuhito of Japan, who died in 1912.



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Count Togo, who annihilated the Russian Fleet at the battle of Tsushima in the Russo-Japanese War.



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His Excellency Mr. Masanao Hanihara, Japanese Ambassador to the United States, and the author of the chapter on Japan in these volumes.

THE GENTLEMAN'S AGREEMENT

The result was the so-called Gentleman's Agreement made between Washington and Tokyo in 1907. Almost simultaneously a similar agreement was concluded between Canada and Japan known as the Lemieux Agreement.

The underlying idea of the Gentleman's Agreement was that Japan agreed, voluntarily and under no treaty obligation, to restrict the emigration of Japanese labourers to America or Canada. As far as formal treaties were concerned, Japan was on a plane of perfect equality with the United States or Canada. If she agreed to restrict emigration, that was entirely her own affair, of which the outside world need take no cognisance.

With mutual forbearance and conciliation there is no reason why the emigration question should not be adjusted amicably and without offering unnecessary offence to Japan. After all, Japanese immigration to America or Canada, when compared with immigration from European countries, is almost negligible. According to the United States Census there were in 1920, 111,010 Japanese in the entire continental United States, that is to say, slightly over one per 1,000 of the total population. Of this total, 71,952 were in California, or one Japanese to every 48 of the total population of the state. At any rate the Japanese emigration question, as far as it affects the United States or Canada, has ceased to be of any moment, as Japan has decided not to send emigrants to countries where they are not desired. The real issue now is whether or not the Japanese who are lawfully resident in foreign countries should be accorded such fair and equitable treatment as is accorded other nationals in the enjoyment of ordinary civil rights.

The author has discussed the emigration question and its consequent issue at considerable length, as the latter still remains one of Japan's difficult diplomatic problems. Her present and future policy in this respect will unquestionably follow the line above indicated — conciliatory, accommodating, yet avoiding steps incompatible with her national dignity and honour.

THE RECORD OF JAPAN IN KOREA

Of greater moment are problems confronting Japan on the Asian continent. The course of events, unexpected by Japan but laid for her first by China and then by Russia, forced her across the Straits of Korea and made her a continental Power. In 1904, while the Russian War was still raging in Manchuria, Japan concluded a protocol with Korea, in which the Korean Government promised "improvements in internal administration" in accordance with Japanese advice, Japan on her part pledging herself to "guarantee the independence and territorial integrity" of Korea. It had been Japan's true intention to regenerate Korea, infuse vitality and new spirit into its decaying body politic, and thus make the country a buffer between herself and her aggressive neighbours. Had Korea been a vigorous, efficient nation, capable of repulsing Chinese and Russian aggressions, Japan would never have fought against China in 1894 and against Russia in 1904. Following this fixed policy Japan, immediately after the Russian War, urged upon the Korean Government, such as it was, the necessity of reforming its administrative system. But the decadence of Korean officialdom had reached the stage where no outside help could regenerate it. Not only were the Koreans ill-disposed to coöperate with the Japanese in the imperative internal reform, but they obstructed the Japanese efforts at every turn, and even

conspired to subvert the new order of things by invoking the assistance of a third Power. Japan, alive to the evil possibilities of this anomalous situation, resorted to the only alternative — she had to assume, in November, 1905, authority to direct the foreign affairs of Korea. For that purpose Marquis (later Prince) Ito was sent to Seoul as the first Resident-General of Japan.

This new arrangement did not affect Korea's domestic administration. Here the Korean Government still enjoyed freedom and continued the policy of obstructing the reform measures suggested by Japan. The Korean Emperor and his officials, saturated with the corruption of centuries, would not adjust themselves to the modern methods urged by the Japanese advisers. Reluctantly, Japan had to admit the futility of half-way measures. Would not Russia renew her nefarious schemes in the peninsula, if Korea remained in this deplorable condition? To intensify Japan's misgiving in 1907, the Korean Emperor sent emissaries abroad, hoping to embroil Japan in international complications over the Korean question. Resident-General Ito, weary of the insincerity of the Koreans, resigned in 1909, and was assassinated by a Korean soon afterward. This sad incident furnished occasion for the final action which Japan feared was inevitable.

ANNEXATION OF KOREA

And so Korea was annexed to Japan in August, 1910 — not by force, but peacefully. The event was followed by redoubled efforts on the part of Japan for the modernisation of Korea with the unstinted expenditure of money and labour. Railways were extended, schools were opened, a modern judiciary was instituted, lawful taxation replaced the old methods of extortion and squeeze, footpaths gave way to modern roads, public works such as water supply, electric lighting and telephone systems were introduced in the larger cities, an efficient postal service took the place of the antiquated courier, new industries were encouraged, scientific agriculture was fostered, reforestation was started on denuded hills and mountain-sides, and banks were organised throughout the country, encouraging savings and establishing a credit system unknown under the old *régime*.

In spite of all these constructive reforms accomplished for the benefit of the Koreans, it will be a good many years before they cease to be a disturbing factor in the body politic of Japan, as indicated in the independence agitation of 1919.

MANCHURIA: CHINESE SOVEREIGN RIGHTS *v.* JAPAN TREATY RIGHTS

In Manchuria Japan's policy was formulated chiefly to keep herself in readiness against any possible emergency developing out of Russia's inherent desire for southward movement and her secret intent for revenge. Having defeated Russia in 1904–1905 Japan now found herself in much the same position as the "man riding the tiger" — she could not dismount lest the Russian tiger attack her. She had no alternative but to keep on "riding," that is, entrenching herself where the Russians had fortified themselves. Again it was the "inevitable march of events" (as Mr. Roosevelt said of the American occupation of the Philippines) which established Japan in South Manchuria.

By virtue of the Portsmouth Peace Treaty and of the treaty with China of 1905, Japan became heir to former Russian holdings in South Manchuria, while Russia occupied North Manchuria, by far the largest and richest sec-

tion of the province. In operating the railways and the mines along them, the Japanese endeavoured scrupulously to observe the sovereign rights of China. Yet in practical administration it was not always easy to draw a clear line of demarcation between Chinese sovereign rights and Japanese treaty rights. Not a few Japanese contended that China's attitude towards Japan during and after the Russian War absolved Japan from obligations, which she had of her own accord shouldered for the maintenance of China's territorial integrity. Throughout the deadly combat of 1904–1905, China never showed sympathy for, much less helped, Japan. Nor was this any wonder, because China had in 1896 entered into a secret treaty of alliance with Russia, Article 1 of which said: "The high contracting parties engage to support each other reciprocally by all their land and sea forces in case of any aggression directed by Japan against Russian territory in Eastern Asia, China and Korea." In view of this agreement Japan could, in the Russian War, have regarded China as her enemy and demanded reckoning accordingly at the end of the war. Nevertheless Japan preferred a policy of neighbourliness and was content with taking only the measures necessary to safeguard her position against Russia.

It was the same motive which prompted Japan to refuse to sell the South Manchuria railway to Mr. Harriman, the American railway magnate, just after the Russian War, and to oppose the internationalisation of the same road proposed by Mr. Knox, the American Secretary of State, in 1910.

PROBLEM OF JAPAN'S GROWING POPULATION

About this time the Japanese immigration problem in Canada and the United States became acute, while Australia most rigidly excluded Japanese immigration. Thus all avenues of Japanese emigration had been closed. Japan, accepting the inevitable, resolved not to permit emigration to those countries. Nevertheless Japan's population problem remained to be solved. She had to find outlet for her growing population, or provide means whereby she might secure the welfare of her population upon her own soil in spite of increasing congestion. It was with that end in view that Japan sought to turn the tide of emigration and enterprise towards the Asian continent, and endeavoured to develop her commercial and industrial possibilities by drawing raw materials from, and exporting manufactured goods to, the same continent. For both purposes enterprise in South Manchuria under Japanese influence was deemed necessary.

THE STATE OF AFFAIRS AT HOME

Here we may pause and take a glance at Japan's internal condition. Fear of foreign aggression, and the wars of 1894 and 1904, had exercised great influence upon Japan's domestic affairs. Confronted by formidable hostile nations one after another, Japan had to devote her best energies to the preservation of her integrity. This meant military and naval expansion with the resultant rise of the military men in power and influence. This condition naturally enhanced taxation for armament to the neglect of much desired reform in other directions. Although universal compulsory education had been adopted, the schools were congested, while the teachers were underpaid. Accommodation in higher educational institutions was so inadequate that thousands of eager students were denied admission every year.

Many problems of public utilities and of social welfare were left unsolved. The protection of workingmen and the sanitation of the factories were far from satisfactory. The freedom of the Press was at times thwarted. Democratic ideals were hindered by unfriendly forces. Moreover, the Government, impelled by the necessity of producing and exporting goods to increase national wealth, subsidised various industries, a policy which served the purpose for the time being, but resulted in the end in the creation of what Europe and America would call "interests." From the same necessity, too, the Government assumed a policy of non-interference towards the capitalists who would endeavour to produce cheaply and sell quickly abroad. Naturally wages were low and working conditions were, in many cases, deplorable.

SOCIAL UNREST

Such conditions could not, of course, continue indefinitely. While the country was in constant fear of foreign encroachment the masses were willing to sacrifice their private interests in order to upbuild a strong nation. But once Japan's most formidable enemy, Russia, was defeated, the apparently docile populace began to show signs of restlessness. Soon after the Russian War the country witnessed numerous strikes and even violent outbreaks in different parts. Fortunately for the ruling class these outbreaks were not organised and therefore incapable of making any lasting or profound impression upon the country. Nevertheless, to those who had the eye to read they were the writing on the wall.

It was in this atmosphere that Count (later Marquis) Okuma, the leader of the Progressive party, organised in the early spring of 1914 a Cabinet, which gave a promise of radical reform in domestic affairs. The occasion was noteworthy in more senses than one. In the first place, Okuma's return to power after retirement of sixteen years was a great blow to the so-called Satsuma and Chosu factions, which had exercised preponderating influence for forty years. Satsuma and Chosu are two provinces which, in the early stage of the Meiji era, furnished most of the leaders who guided the course of the nation through storm and stress. Incidentally the Chosu men implanted their influence in the army, while the Satsuma men chose the navy as their special field. Although much criticism was directed against the two cliques, their power remained unbroken while the country, confronted by formidable foreign enemies, had to rely upon military and naval prowess for protection. As the memory of the Russian War receded among the things of the past, criticism towards them became more and more adverse. As luck would have it, the Satsuma faction and the navy dominated by it suffered a severe setback by a sensational scandal involving a few high naval officers. The exposure resulted in the downfall of the Cabinet headed by Admiral Count Yamamoto, a Satsuma man. Although the Admiral himself was absolutely innocent, he held himself responsible for the apparent laxity of discipline which had crept into the navy.

THE WORLD WAR IN THE FAR EAST

It was upon the crest of the popular indignation caused by the scandal that Count Okuma rode into power in the spring of 1914. He assumed the reins of government with the enthusiasm of a reformer. He had promised to reduce taxation enormously enhanced by the Russian War. He had declared

himself in favour of curbing the powers of the military and naval cliques, and of retrenching the expenditures of the army and navy. He had intended to extend the suffrage which was limited by property qualifications. Had the times been normal, Okuma might have carried out at least some of these pledges. But the sudden outbreak of the World War in August, 1914, completely upset his plans. It could not but strengthen and prolong the very power which he had promised to curb. As for the much-needed reduction of taxation, Okuma's promise was completely consigned to the limbo of oblivion.

As soon as England declared war against the Central Powers on August 4, 1914, Japan was called upon to follow suit, and under the terms of the Anglo-Japanese Alliance to render military assistance to her ally. The alliance, it must be noted, had been renewed in 1911 for another ten years. The renewal was made no doubt partly in view of the growing menace of German power both in Europe and in Asia.

And so Japan, on August 15, asked the German Government to withdraw from Far-Eastern waters all its men-of-war and armed vessels, and disarm those that could not be withdrawn, and to give up to her the leased territory of Kiaochow, which Japan would eventually restore to China. Having received no reply from Germany, Japan declared war against her and Austria, and immediately sent a force of 30,000 men, aided by 2,000 British soldiers, to capture the fortified zone of Kiaochow, the garrison of which capitulated on November 7, 1914.

On sea the Japanese navy coöperated with the British on a large scale. In the first year of the war it took charge of the Pacific and Indian Oceans, using for that purpose a fleet twice as large as the pre-war British Eastern and Australian fleets combined. While the German cruisers were at large in the Pacific, the Japanese men-of-war protected the coasts of Australia, New Zealand and British Columbia, and safeguarded the lanes of transportation from Hongkong to Vancouver, and from Sydney and Singapore to Suez and Zanzibar. The British transports which carried "Anzacs" to the various fronts were usually convoyed by Japanese warships. Japan's next task was to keep the Mediterranean routes of communication open from Suez to Gibraltar, and from Marseilles to Alexandria in coöperation with the Allied fleets.

JAPANESE AID RENDERS BRUSSILOV'S OFFENSIVE POSSIBLE

Meanwhile Japan turned over to Russia two battleships and a cruiser, and supplied the Russian army with 750,000 rifles as well as munitions to the value of more than 295,000,000 yen (the yen being worth approximately half a dollar). It was these supplies which enabled General Brussilov to launch the great Russian offensive in June, 1916. Financially, Japan's contribution was not great. Yet she advanced 313,000,000 yen to Russia, 180,000,000 yen to England, 127,000,000 yen to France, and 49,000,000 yen to China. These facts, insignificant in themselves, are noteworthy when we remember that only three decades before, Japan had been a negligible quantity in international affairs.

RELATIONS WITH THE BOLSHEVIKS IN EASTERN SIBERIA

After Russia collapsed under Bolshevist domination, Japan, in conjunction with the United States, sent an army to Eastern Siberia, to rescue the 50,000 Czechoslovak soldiers, who were isolated in Siberia and were trying to join

their comrades at home. The Allied forces, which were mainly composed of Japanese and American troops, but including a very small contingent of men representing each of the other main Allied Powers, arrived in Vladivostock in August, 1918.

Although the American troops withdrew from Siberia in March, 1920, Japan had to keep her troops there until the autumn of 1922 for the obvious reason that there were in Eastern Siberia a considerable Japanese population and many Japanese enterprises which had to be protected pending the restoration of order and the conclusion of some sort of agreement with the powers-that-were in that region.

Unfortunately, the Bolshevik conception of international relations and Bolshevik practice of diplomacy have been such that it is extremely difficult to find a common basis for a solution of problems between Russia and Japan. The consequence of this sense of insecurity on the part of the Japanese Government is that although a year and a half has passed since the withdrawal of the Japanese troops from Siberia, no agreement between Japan and Russia has been made.

THE PARIS PEACE CONFERENCE AWARDS KIAOCHOW TO JAPAN

In China Japan's acts after the reduction of the German citadel of Kiaochow were subjected to much criticism. From the beginning Japan declared her intention of restoring Germany's leased territory to China at the close of the war. But in order to restore it to China, Japan felt it necessary to obtain clear title from Germany with the consent of her Allies and associates in the war. When, therefore, Japan concluded a treaty with China in May, 1915, concerning the disposal of German holdings in Shantung, she stated in a separate note to the Chinese Government that "if, upon the conclusion of the present war, the Japanese Government should be given an absolutely free disposal of the leased territory of Kiaochow Bay, they will return the said territory to China." With the same end in view the Japanese Government in February, 1917, succeeded in obtaining from England, France and Italy a full consent to the proposal of the Japanese acquisition of German holdings in Shantung.

In spite of Japan's declaration to return Kiaochow to China, her promise was viewed with suspicion abroad, particularly in the United States. Although the Shantung Treaty of May, 1915, when read in connection with the separate agreement above noted, contained nothing reprehensible, it provoked considerable discussion in the outside world because it was one of the outcomes of the so-called "Twenty-one Demands," which were presented to China by Japan in January, 1915. Nevertheless, the Powers at the Peace Conference of Paris confirmed Japan's right to the former German holdings in Shantung, feeling themselves to be justified in trusting that Japan would deal justly with China.

Soon after the Paris Peace Conference, Japan, true to her pledges to China and the Powers, proposed to open negotiations with China for the purpose of returning Kiaochow to her and of reorganising the management of the Shantung railway as a Chino-Japanese joint enterprise. China resolutely declined to enter into a conference still hoping, perhaps, that some outside influence or external pressure might be brought to bear upon Japan and in consequence alter in favour of China the verdict given at the Paris Conference. Thus the matter stood when the Washington Conference was called in November, 1921.

THE FAMOUS TWENTY-ONE DEMANDS

The primary object of the "Twenty-one Demands"[1] was to safeguard Japan's position in South Manchuria. Had Japan wisely limited her proposals to those relating to Manchuria, there might have been no serious objection to them. As a matter of fact, the Chinese Government, only twenty-four days after the presentation of the Japanese proposals, practically accepted all the terms relative not only to Manchuria but also to Shantung. There were, however, other well-intentioned, but apparently objectionable proposals which not only beclouded the true purpose of Japan but caused prejudice among the Chinese as well as in the outside world.

The final agreements may be briefly summarised. Japan secured the extension of the lease of Port Arthur and Dairen to 99 years, that is, from 1898 to 1997. The Japanese control of the South Manchuria railway, which was to expire in 1939, was extended to 2002. In addition, China agreed to allow Japanese subjects certain mining privileges and the right to travel and reside in the interior of South Manchuria. China also promised to safeguard Japanese investments in the Hanyehping Iron Mining and Smelting Company. As for miscellaneous wishes, known as Group V, they were entirely withdrawn by Japan.

Space forbids a critical examination of the so-called "Twenty-one Demands." The author can only say that some of the criticisms made against them seem unfair and unjust. Most of such criticisms are made without proper knowledge or appreciation of either China's actual condition or the bitter experiences Japan has suffered because of China's tangled domestic

[1] The so-called "Twenty-one Demands" as originally presented consist of the following proposals:

Group I — Concerning Shantung: (1) China to assent to agreements to be made between Japan and Germany regarding the latter's rights in Shantung; (2) China not to cede any part of Shantung to any other Power; (3) Japan to build railway from Cheefoo or Lungkow to a point on the Shantung railway; (4) To open certain cities in the province to foreign trade.

Group II — Concerning Manchuria: (1) To extend lease of Kwantung and concession for the South Manchuria railway for 99 years; (2) To allow Japanese to travel and reside in South Manchuria and Eastern Inner Mongolia, and to lease or own land for farming and trade purposes, or to engage in mining in those regions; (3) China not to grant to other Power or its nationals railway concession in South Manchuria and Eastern Inner Mongolia, or to mortgage to any other Power local taxes of those territories, without Japan's consent; (4) Japan to be consulted in employing foreign political, financial or military advisers or instructors in South Manchuria or in Eastern Inner Mongolia; (5) China to let Japan manage the Kirin-Changchun railway for 99 years.

Group III — Concerning Hanyehping (Iron Mining and Iron Works) Company: (1) China not to dispose of rights and properties of this Company, in which a large Japanese capital is invested, without Japan's consent, and not to object to any agreement that may be made with a view to joint undertaking between the Company and Japanese capitalists; (2) China not to permit, without the Company's consent, anyone but the Company itself to work mines in the area adjoining the Company's mines.

Group IV — Concerning non-alienation of territory: China not to cede or lease to any other Power any harbour or bay or island on the Chinese coast.

Group V — Matters wished by Japan: (1) The Chinese Government to employ Japanese as political, financial and military advisers; (2) China to allow Japanese to own land in the interior to be used for hospitals, churches and schools; (3) In certain large cities, where Japanese reside in large numbers, the police department, to avoid complications, to be jointly managed by Chinese and Japanese, or to employ Japanese officials; (4) China to buy from Japan certain per cent of munitions used by the Chinese army, or to establish an arsenal as a Chino-Japanese joint enterprise; (5) Japan to build the Wuchuang-Nanchuang and the Nanchuang-Hangchow railways; (6) China to consult Japan before raising foreign loan for mining enterprise and railway and harbour construction in Fukien province; (7) Japan to enjoy the same privilege of religious preaching as enjoyed by other nationals.

and foreign affairs. Nor has the fact been duly considered that Japan's special relations with China — relations created, not by her own seeking, but by geography — have placed her in a peculiar position wherein she is naturally far more vitally interested in the establishment of a reasonably safe, orderly, and responsible China than would be any nation more remotely situated and naturally less deeply concerned. To find parallels to Japan's policies and actions toward China we need not delve into the diplomatic history of Europe or America. At the very moment this is written, foreign representatives at Peking are, in connection with the Lyncheng bandit incident, discussing demands or proposals to be presented to the Chinese Government, some of which seem more drastic than any of the "Twenty-one Demands."

THE WASHINGTON CONFERENCE

We have seen that Japan's activities in China, though springing from motives of self-preservation, roused suspicion in foreign countries. Then, too, her adoption of a naval programme known as the 8-8 programme, though conceived purely as a defensive measure in the face of known naval programmes of other nations, created misunderstanding among the naval Powers in the Pacific. To add fuel to such suspicions and misunderstandings, Europe and America saw a plethora of books, magazine articles and press reports and comments of a nature to prejudice the reading public against Japan and her policy. Whether Japan at that time really deserved such adverse criticisms or whether she was a victim of race prejudice or some international machination, is for future historians to determine. At any rate it was in such atmosphere that in November, 1921, the Washington Conference was convened by the American Government for the purpose of halting naval rivalry and of establishing harmony among the Powers in regard to Far-Eastern questions.

Japan accepted the invitation to the Washington Conference with alacrity. She knew that she had nothing to lose if the other Powers would agree to stop naval expansion. To her, moreover, the Conference was a God-sent opportunity to purge herself of the suspicions, with which the Powers had been led to see her policy in China and elsewhere. The Cabinet, under the able leadership of the late martyred Takashi Hara, rose to the occasion and resolved to convince the world of Japan's desire to remain friendly with her neighbours and to maintain the peace of the Pacific and the Far East.

END OF THE ANGLO-JAPANESE ALLIANCE

At the Conference Japan gladly agreed to terminate the Anglo-Japanese Alliance, as desired by Great Britain and the United States. In spite of the fact that the Anglo-Japanese Alliance of 1911 had a clause deliberately included which was designed to absolve either contracting party of the obligation to aid the other in case of a war with the United States, many Americans still regarded the Alliance with uneasiness. Nor were Great Britain and Japan reluctant to dissolve the Alliance, since the elimination of Russia and Germany had removed, or at least lessened, its *raison d'être*. The Conference, therefore, had little difficulty in terminating the Anglo-Japanese Alliance and launching a new treaty signed by Japan, the United States, Great Britain and France, safeguarding the peace of the Pacific, and substituting friendly conference for war in the adjustment of Pacific problems.



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The Fuji cotton spinning mills plant at Koyama, near Fuji in Japan, collapsed like a pack of cards in the great Japanese earthquake of September, 1923.



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The Crown Prince Hirohito of Japan making an address at the Guildhall in London on the occasion of his historic visit to England in 1922. The Prince of Wales, the Duke of York, and the Duke of Connaught are seated on the right.

On the question of the naval retrenchment Japan readily subscribed to the American proposal, scrapping certain battleships, and establishing a ratio of three for her capital ships as against five each for the United States and for Great Britain.

KIAOCHOW RESTORED TO CHINA

With regard to the Chinese question, Japan agreed to the renunciation of certain privileges in Manchuria, and she further agreed to accept the general treaties and resolutions re-asserting the Powers' intention to help promote China's welfare.

As we have already noted, the Shantung dispute between China and Japan had remained unsettled when the Washington Conference was called. Japan took the opportunity of the Conference to dispose of that dispute once for all, and gladly availed herself of the good offices of Secretary Hughes and Mr. Balfour to attain that end. Japan, in short, agreed to withdraw completely from Shantung, restoring Kiaochow to China and selling the railway to her.

Within ten weeks after the adjournment of the Washington Conference, Japan ratified with no reservation all the treaties made at that Conference. Without even waiting for their ratification by other Powers, she began in the summer of 1922 scrapping some of the capital ships destined to be destroyed under the Washington agreement. Although the agreement placed no restriction upon the building of auxiliary ships, Japan of her own accord eliminated from the original building programme a cruiser, 13 destroyers, and 24 submarines. Simultaneously a decision was adopted for the immediate reduction of naval personnel, retiring 949 officers, 415 warrant officers, 2,345 petty officers and 8,446 men — the total reduction amounting to 15.7 per cent of the entire personnel of the navy. Further reduction in personnel is planned for succeeding years. Such a radical retrenchment in the navy could not fail to influence the army, although the Washington Conference arrived at no agreement for the reduction of land armament. In the three years 1922, 1923 and 1924 the Japanese army is to discharge no less than 2,318 officers and 60,228 men.

Japan's compliance with the Shantung and other Chinese agreements was as prompt as her execution of the Naval Treaty. By November, 1922, she had completely evacuated Shantung. It is extremely regrettable that conditions in that province since Japanese withdrawal have been far from satisfactory. The railway has degenerated and banditry has become rampant, culminating in May, 1923, in the kidnapping of many American and European passengers on a Tientsin-Nanking express train.

A MORE LIBERAL ADMINISTRATION IN KOREA

In Korea, since the uprising of March, 1919, Japan has adopted many more liberal measures under the able administration of Baron Saito, the present Governor-General. The preferment of Koreans in the civil service has been improved; many well-equipped schools have been added; Japanese officials serving in Korea have been encouraged to study and use the Korean language in dealing with the natives; the contact of the Korean leaders with the Japanese administration has been made closer through various new measures; governmental red tape has been eliminated in connection with the propagation of Christianity among the Koreans. In a word, the present Japanese rule in Korea is characterised with liberalism and generosity such as is seldom seen in any colony.

THE DEMOCRATIC MOVEMENT INCREASES

At home Japan has since the World War been undergoing a remarkable metamorphosis. The ideals of democracy emphasised by the Allied statesmen during the war struck a responsive chord in the Japanese mind. Nor is this surprising, since the Japanese, believing for centuries that they are descendants of one and the same ancestral family, are essentially democratic. This traditional democratic idea was held in check by the rise of military potentates and the consequent inauguration of feudalism. The undemocratic ideas and institutions introduced during the feudal ages were not easily removed by the abolition of feudalism. But the advent of the new *régime* in 1867 and the adoption of the Constitution in 1889 proved a stimulus to the resuscitation of the pre-feudal traditions of democracy. Small wonder that at the beginning of 1924 the movement for manhood suffrage is steadily gaining ground. As we have seen in a preceding paragraph, the suffrage in Japan before 1920 was limited to male citizens above twenty-five years of age paying a direct or property tax of not less than ten yen, or about $5. The property qualification, low as it was, restricted the franchise to about 28 in each 1,000 of the total population. In 1920 the new election law lowered the tax to be paid by the voter to three yen, or about $1.50. Under this law 2,860,000, out of the total male population of 28,044,341, were registered as qualified voters. This increased the ratio of voters to a little over 102 per 1,000 of the male population. These voters elect 464 members of the House of Representatives, that is, one representative to each 121,000 of the entire population. To the Liberals the law of 1920 is only a step toward manhood suffrage. Since that year every session of the Diet has seen the introduction of a Universal Suffrage Bill. The Yamamoto Cabinet, which came to power in September, 1923, drafted a Manhood Suffrage Bill. Though the Cabinet had to resign under untoward circumstances in December, 1923, before it had opportunity to present the bill to the Diet, the adoption of the measure will not long be deferred. Under Manhood Suffrage Japan would have some 13,000,000 voters.

SLOW PROGRESS OF THE LABOUR MOVEMENT

Temperamentally the Japanese are not revolutionary but evolutionary. This has been indicated in the subversion of feudalism, in the adoption of the constitutional government, and in the gradual extension of suffrage. The same trait will characterise the labour movement. Soon after the Russian War there were many strikes throughout the country. In 1912 the "General Federation of Labour" was organised by a few labour leaders of the advanced type. During the World War, the boom of industry and general prosperity was not favourable to the progress of the movement. At the end of 1921 there were some 300 labour organisations with a total membership of about 365,700. These organisations are not yet fully developed, and their members represent a small fraction of the entire body of wage-earners in Japan, of whom factory, railway and shipping employees alone number approximately two millions.

For the slow progress of the labour movement the labour leaders blame the "Police Law for the Public Peace," which provides for the punishment, imprisonment and fine, of those who seduce or instigate others with the object of starting a strike. Without doubt this law is destined to be amended. But at the same time it is to be noted that industrially Japan is still in a period

of transition. The factory system has not yet completely replaced household industry as in the case of the more advanced industrial countries. Even in the factories the feeling of "class struggle" does not seem as intense as in the West. This is due, perhaps, to the fact that the mutual feeling of loyalty and helpfulness prevailing between master and employee in olden days, still exercises a potent influence in mitigating the harshness of relations between capital and labour in these modern days. The Government is adopting liberal views on labour problems, while the capitalists are realising the wisdom of dealing justly with the working-class. The Factory Law enacted in 1911 and put into operation in 1916, and the State Life-Insurance Law of 1916 were designed to help increase the welfare of the working-classes, while various mutual-aid societies of workmen are encouraged and subsidised by the Government and employers. Whether or not these efforts will yield results of so beneficent a nature as will keep Japan clear of serious labour complications we have yet to see.

IMPROVEMENT IN EDUCATION

Another important problem is educational reform. In the beginning of 1920 Japan had 41,950 schools, comprising 25,625 elementary schools, 12,845 technical schools of various grades, 866 middle and higher schools, seven universities, and 2,607 schools of miscellaneous nature. The total teaching staff consisted of 210,584 men and women, and the total number of students was 9,636,853. The present compulsory system requires all children between six and fourteen years of age to attend school at least six years. Under this system, the percentage of attendance at the beginning of 1920 was 98.86. Not only has the Government experienced little difficulty in making the parents send their children to school, but it is now pressed with demand for the extension of the minimum period of compulsory education from the present six years to eight years. There is also a persistent and highly significant clamour, which is heard all over Japan, for increased facilities for University, technical and liberal education. In 1919 the Diet extended its approval to the Government plan which had as its object the increase and improvement of all institutions existing for technical and liberal education. This project involved the initial expenditure of a sum of no less than 44,000,000 yen, which entails a corresponding increase in annual expenditure in the succeeding years.

As regards elementary education, the Central Government contributes towards it an annual subsidy of over 60,000,000 yen, but the main portion of the expenditure is borne by the local treasuries. For years the people have been clamouring for an increase of the national subsidy. The reduction of naval expenditure resulting from the Washington Treaty has given fresh impetus to this public demand, and it is more than likely that the Government will have to meet it. This intense and widespread desire for education seems, as far as one can judge, to spring from the general conviction that such a nation as Japan, possessing only an extremely limited territory of some 173,786 square miles, the scant natural resources of which are barely capable of supporting its ever-growing population, can survive only by developing the character, knowledge, skill and efficiency of the people.

In a previous passage we referred to the restriction of the freedom of the Press. Fortunately in recent years the Government has been following a very liberal policy in this connection. Although a censorship law is still in force, its application, except in times of war or of other emergency, has become nominal. In 1871 Japan had only one daily newspaper. To-day

there are some 990 dailies and 2,040 periodicals. Some of these publications have attained great influence and affluence. A few enjoy a daily circulation as large as 800,000.

ECONOMIC PROGRESS IN RECENT YEARS

Space permits only a few words on Japan's economic progress since 1900. In 1900 her total foreign trade, both imports and exports, amounted to 523,000,000 yen in round figures. In 1920 it increased to 4,419,000,000 yen, exclusive of the foreign trade of Korea and Formosa. These latter figures, made possible by the war, are abnormal, but it is safe to say that Japan's foreign trade is now fluctuating at close to three thousand million yen.

In shipping and shipbuilding Japan has made an even greater progress. In 1900 she had 150 steamers above 1,000 tons each. By 1920 this had increased to 727 with a total tonnage of 2,356,477. Twenty years ago Japan's shipyards were negligible. To-day they are building merchant as well as war ships, not only for domestic use but for foreign countries. During the World War the Japanese yards built 93 ships for the United States, England, Norway, Russia, France, Chile, Denmark, Spain and China. In 1919 Japan turned out 134 ships of over 1,000 tons each, aggregating 619,558 tons.

HOPE FOR THE FUTURE

In conclusion, Japan's future safety and prosperity, the normal and wholesome development of her political and economic condition, lie in the continued peace of the world, particularly of the Far East. Unless she is allowed a period of respite, wherein she may pause and take stock of what is about her, she will not be able to carry out the domestic reforms which have been regrettably delayed by external affairs demanding more immediate attention. Japan is a nation pulled by external pressure to a height for which she was not internally prepared. Naturally she has been going forward with makeshifts devised as necessity dictated. What Japan needs is a relief from this strenuous life, from the constant application of external pressure, so that she may devote greater attention to the readjustment of her domestic affairs.

Shortly before this chapter was written, the greatest earthquake and fire in the history of Japan, perhaps of the world, devastated, September 1, 1923, a vast area in central Japan, taking a toll of over one hundred thousand lives, and destroying properties valued at several thousand million dollars. This unexpected disaster is bound to interfere once again with Japan's desire and endeavour for internal reform, as her energies and resources for some years to come will have to be devoted to the task of reconstruction thrust upon the nation by the unprecedented disaster.

CHAPTER XXXV

FROM EMPIRE TO REPUBLIC: A CRITICAL PERIOD IN CHINESE HISTORY

By His Excellency Vi Kyuin Wellington Koo

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The history of China is at once fascinating and wearying, depending upon the viewpoint of the person approaching it. An empire which a few centuries ago extended from the Pacific in the east to almost the English Channel in the west and struck terror in the hearts of men from the Siberian steppes in the north to the palmy plains of the Deccan Peninsula in the south, but which is to-day a compact, juvenile republic of four and a quarter million square miles — namely, one-eighth greater than the area of the United States — cannot but be a subject of intense fascination to the historian. On the other hand, the same dramatic vicissitudes may weary him who reads while running. This, in brief, appears to represent the attitude of those who either are dejected by the discouraging appearances of China's contemporary history, or who take courage in spite of the ups and downs inevitable here as elsewhere.

China has sometimes been described as a civilisation rather than a nation. This description is perhaps not without its aptness, when it is borne in mind that China has been synonymous with Chinese civilisation ever since its annals began to be recorded four thousand years ago. Then Rome was scarcely more than a city of seven hills, and the ancestors of modern Europe painted their skins and ran wild in their forests. Egypt, Assyria, Babylon, Greece and Rome were contemporaries of the "Middle Kingdom," but the inscrutable wisdom of the Arbiter of Nations has preserved the one while allowing the others to disappear. Surely, this fact alone ought to invest the history of China with more than usual interest. Again, foreign invaders time and again imposed their own dynasties upon a vanquished people, but in each case the conquerors were assimilated by the conquered race. The cup of humiliation overflowed when the throne of the "Son of Heaven" was occupied by an alien ruler, but the process of dethronement did not take long to accomplish. Thus in face of the so-called "anarchy" and "disintegration" obtaining in China to-day the Chinese are confident that, as in the past so in the present, things will right themselves before long. If foreign conquerors could be dethroned and assimilated, assuredly circumstances born of change and progress will be similarly assimilated and brought under control.

Taking it all in all, the history of China during the first quarter of the twentieth century may be characterised as one of steady progress. Admirers of China's Island Neighbour rightly point to the exemplary speed with which she has modernised her life and institutions, but in fairness to the Chinese it is to be remembered that the Island of the Rising Sun is scarcely one-tenth

the size of its continental neighbour; and this being the case, the latter's inertia must need a longer time to be overcome. To the outside world the stories of civil strife and political dissensions in China are wont to receive greater attention than the prosaic tales of slow, imperceptible progress, and for this reason the universal impression is that the "Celestial Empire" is too much torn asunder to ever progress at all. As a matter of fact, distance exaggerates things, and appearances are proverbially deceptive. Everything considered, it may be stated without fear of contradiction that during the twenty odd years under review, greater and more solid progress has been registered in China than was probably accomplished in Europe during the same length of time. For not only has the form of government been changed, but the very life of its people has undergone a metamorphosis which few thought could have been achieved in this short space of time. And if the West was inclined to be impatient with China's tardy progress, it may soon complain that she is going too fast; this will be when the momentum of her immense size and teeming millions gathers weight, and then the resultant inertia of motion may be difficult to restrain or regulate.

For our present purpose the history of China may be discussed under the following main heads: (1) Government and Administration; (2) Finance; (3) Communications; (4) Industries and Trade; (5) Education; (6) Social Life; (7) Tendencies and Possibilities.

I. Government, Administration and Foreign Affairs

Until the advent of the republic in 1912, China was an absolute monarchy, but the monarchy was more in form than in fact. On the one hand the emperor is recognised as the "Son of Heaven" whose person is sacred and inviolable; on the other hand he is installed by divine sanction for the welfare of the people. Therefore, when a ruler abuses his powers, he forfeits his right to the exalted position, and the people in self-defence may dethrone him or do violence to his person. Even in the height of absolutism there was therefore some measure of democratic government, and while the viceroy and magistrates of a province were appointed by the throne, in the villages and big cities the village heads and gentry were more often than not the real local authorities. Consequently when the republic was established in 1912, the country was not ill-adapted for the change from a formless to a formal democracy.

Proclamation of the Republic

Towards the close of the nineteenth century the Chinese began to see their country in its true light. Dominion after dominion had been wrested from the "Celestial Empire" and, in 1895, the quondam Mistress of Asia sued for peace from Japan, her former pupil. The talk of China's partitionment was in the air, and a few Powers were already occupying portions of her territory under leases extending from 25 to 99 years. Then the "midsummer madness of 1900" increased the national indebtedness to the extent of 450,000,000 Haikwan Taels (about $337,500,000 gold), which at the end of thirty-nine years at 4% annual interest would aggregate more than double the original amount. Convinced of the utter incompetency of their rulers, the Chinese began now to demand a greater share in the administration of the country. The Manchus dilly-dallied, but in 1907 were constrained to promise the grant of a constitution by 1913. An attempt to nationalise the

railways (they are now almost entirely Government-owned and operated) precipitated the gathering storm, and the Revolution of October 10, 1911, broke out in Central China three weeks ahead of the prearranged schedule. Province after province rallied to the revolutionary standard and, on January 1, 1912, the republic was proclaimed in Nanking, the "Southern Capital." Forty-two days later (February 12) the Manchus abdicated, although the Manchu boy-Emperor is to-day still permitted to enjoy imperial honours within his exclusive sanctuary. The "Provisional President," Dr. Sun Yat-sen, resigned in favour of Yuan Shih-k'ai and the seat of government was transferred to Peking. The republic, however, was not recognised by most of the Powers, with the exception of the United States, Brazil and Cuba, until October of the following year.

"The Republic of China shall be a unified Republic forever. The Sovereignty of the Republic of China is vested in the whole body of the People." Thus read the first two articles of the Permanent Constitution promulgated on October 10, 1923, to replace the Provisional Constitution which was adopted in March, 1912. While democratic principles are not new to the Chinese, a democratic form of government appeared to be a novelty. The representatives of the people and the champions of autocracy could not see eye to eye with each other, and Parliament itself was twice illegally dissolved. Moreover, the very existence of the republic was twice imperilled when, in the winter of 1915, Yuan Shih-k'ai sought to make himself emperor; and again in the summer of 1917, when the Manchu Monarchy was restored for a fortnight and then collapsed.

POWERS OF THE PRESIDENT, THE CABINET, THE PARLIAMENT

"The adminstrative power of the Republic of China shall be exercised by the President with the assistance of the Cabinet Ministers." So provides the fundamental law of the land. The President appoints the Cabinet, but "the House of Representatives may pass a vote of 'No Confidence' in Cabinet Ministers." When such contingency arises, "the President shall either relieve the Cabinet Ministers of their offices or dissolve the House of Representatives; but the House of Representatives shall only be dissolved with the concurrence of the Senate." And "during the tenure of office of the same Cabinet Ministers or during the period of the same session there shall not be a second dissolution."

The President shall be a native of the country, who is over 40 years of age and has lived in China for upwards of 10 years. "The President shall be elected by a Presidential Electoral College composed of the entire membership of the two Houses of Parliament." His term of office is five years, but he may be reëlected for another term. The Vice-President is elected in the same manner and at the same time as the President. In case both the President and the Vice-President are unable to function, the Cabinet will administer the Government until Parliament elects a new President. The Cabinet is composed of the Premier and the Ministers of nine executive departments — Foreign Affairs, Interior, Finance, War, Navy, Justice, Education, Agriculture and Commerce, and Communications. The appointment of the Premier alone needs to be ratified by the House of Representatives.

There are 596 members in the House of Representatives, the ratio being one for every 800,000 population. The Senate, however, represents the other unrepresented interests — the 22 Provinces, Mongolia, Tibet, Chinghai, Central Educational Society, and Chinese residing abroad — and its membership is 274. The term of the Representatives is three years, while that of

the Senators is six years, one-third thereof retiring every two years. To the House of Representatives belongs the power to initiate money bills and institute impeachment proceedings against the President, Vice-President and Cabinet Ministers, while the Senate has the right to try the impeached officers, ratify the appointment of the Chief Justice of the Supreme Court, elect the Chief of the Board of Audit, and adjust controversies arising between the Provinces.

Large powers of self-government are now conceded by the Permanent Constitution to the local areas — the province and the district — although powers which appertain strictly to the nation are specified and exercised by the Government. The province will have a single-chamber Assembly as legislature and an Administrative Council as executive, while the District will have an Assembly as legislature and a magistrate, with the assistance of a Council, as executive. The Provincial Administrative Council will have from five to nine members directly elected by the people, and the chairman thereof will be elected by and from among the members. The magistrate and the District Council will also be directly elected, but this system will not be enforced until the "completion of the Judiciary and the lower grade self-government system." All this, however, is for the future; during the last ten years both the civil and military governors of the provinces as well as district magistrates have been appointed by the Government, who are assisted in an advisory capacity by provincial and district assemblies.

THE JUDICIARY

"The judicial power of the Republic of China shall be exercised by the Courts of Justice." According to the Law of the Organisation of the Judiciary published in 1910 there are four grades of courts: (1) Local Courts (which have since been superseded by Branch Divisions of District Courts, the District Magistrates exercising judicial functions, and district judicial offices); (2) District Courts; (3) High Courts; and (4) Supreme Court (Court of Cassation) in Peking. Corresponding to the courts are four grades of procuratorates.

Aliens in China have until the last few years been granted the right of extraterritoriality and consular jurisdiction. The system, however, operates to the constant embarrassment of the Chinese authorities, and when its counterpart was abolished in Japan in 1899, China expressed a wish to reform her judicial system and "to bring it into accord with that of Western nations." Great Britain, the United States and Japan responded in 1902–1903 by agreeing to surrender their extraterritorial rights when each was satisfied that "the state of Chinese laws, the arrangements for their administration, and other considerations warrant her in so doing." Accordingly the judiciary was reorganised, and a Law Codification Commission constituted to revise as well as codify the existing laws.

The Provisional Criminal Code of 1912 has been twice revised and the latest draft, which awaits ratification by Parliament, incorporates the latest principles obtaining in other countries. Thus it is laid down that punishment should be made to fit the individual rather than the crime; the criminal responsibility of the feeble-minded is reduced, while the judges are required to consider the circumstances, character, temperament, intelligence and economic conditions of a criminal in determining the penalty. The revised Codes of Civil and Criminal Procedure have just come into force, while the drafts of Civil and Commercial Laws are still in process of revision. On the other hand, effect is already being given to various laws relating to

property, and other miscellaneous laws including the Commercial Arbitration Law, etc. And until the new laws are promulgated, the laws previously enforced will be applied, provided they are not repugnant to the republican form of Government. Moreover, at the direction of the Supreme Court the inferior courts are guided in civil cases by the express provisions of the law; in their absence by custom; and in its absence by legal principles.

In 1910 China participated in the International Prison Congress held in Washington; since then model prisons, including juvenile and women prisons, have been erected in most of the provincial capitals. Education is provided for juvenile offenders, while the other prisoners are taught printing, carpentering, tailoring, weaving, and other useful handicrafts. Wages are paid for such labour, and a prisoner may earn his conditional release by exemplary behaviour.

"The judicial officials shall be independent in the conduct of trials, and no person whatsoever shall be allowed to interfere." As long as the legislature could not always enforce its will against the executive, the independence of the judicial branch of the Government remained an ideal to be attained. Nevertheless the judiciary may be said to be slowly and steadily asserting its independence. Thus, on one occasion (1915) it worsted the redoubtable Yuan Shih-k'ai himself until, exasperated by his failure to remove an upright judge, he stigmatised the Supreme Court as being "too subservient to the law." On another occasion (1916) which is reminiscent of the well-known case in English constitutional history, *Stockdale v. Hansard*, it came into violent clash with Parliament in the matter of jurisdiction over appeals in election cases. The Legislature contended that the judiciary had no such jurisdiction, while the Supreme Court maintained that according to its interpretation of the law — a function which it alone possessed — it had such jurisdiction. Thereupon Parliament passed resolutions denouncing the decisions and declaring them null and void, but the Supreme Court retorted that whereas Parliament could make laws, its resolutions had not the force of law. Reason prevailed in the end, and Parliament gave in.

No person can be appointed a judge unless he has passed the required examinations or been exempted therefrom in virtue of his having graduated from a foreign university with a distinguished record. If successful, he will be sent to a court or procuratorate on probation for two years, at the expiration of which period he will be required to pass a second examination before he can become a judge. Permanency of tenure is assured to members of the judiciary.

FOREIGN AFFAIRS

During the first decade of the nineteenth century China's foreign relations were more or less uneventful. As a result of her successful war with Russia, which was fought on Manchurian soil in spite of China's protests, Japan was enabled to entrench herself in north-eastern China, the Russian lease of Port Arthur and Talienwan, etc., having been assigned to Japan, while the renewal shortly before of her alliance with Great Britain paved the way for her annexation of Korea. The outbreak of the World War gave Japan a still better opportunity and, being in military occupation of her territory leased in 1898 to Germany, she presented on January 18, 1915, her famous Twenty-one Demands on China, designed apparently to secure at one stroke a dominant control over her weaker neighbour. Impotent as it was, the republic was not overawed but yielded only inch by inch, and Japan found it necessary at last (May 7) to send a 48-hour ultimatum in order to compel acceptance. At the Paris Peace Conference four years

later, China, although a co-partner with the Allied and Associated Powers, was denied the consideration which the justice of her claims demanded, and the leased territory of Kiaochow, together with an important railway leading into the heart of Shantung and other valuable rights, was awarded to Japan. The estrangement between the two nations grew in intensity, and a boycott of Japanese goods was enforced by the people. This resentment was not mollified until the considerable amends were made by Japan at the Washington Disarmament Conference (1921–1922), when Tokyo agreed to return the leased territory in Shantung to China and waived a number of the preferential rights claimed by her under the Twenty-one Demands. The original lease of Port Arthur and Talienwan terminated in March, 1923, but Japan claims that the 25-year period has been extended by the Twenty-one Demands to 99 years. She therefore insists on retaining this extended lease in spite of China's protests.

THE WORLD WAR AND THE PEACE TREATY

On March 14, 1917, China broke off diplomatic relations with Germany in protest against the latter's indiscriminate submarine warfare, and five months later she declared war against both Germany and Austria-Hungary. Thereupon the Allied and Associated Powers assured the republic that they "will do all that rests with them to insure that China shall enjoy in her international relations the position and regard due to a great country." The Powers, however, found it difficult to keep their promise, and China's representatives had to withhold their signatures from the Treaty of Versailles because of the three articles awarding Shantung to Japan. When the other Peace Treaties with ex-enemy countries were concluded, they were signed also by the Chinese delegates, and the republic became thereby an original member of the League of Nations.

At the Paris Peace Conference the Chinese Delegation submitted a memorandum entitled "Questions for Readjustment" and requested action thereupon by the Conference. These included: (1) Renunciation of the Spheres of Influence or Interest; (2) Withdrawal of foreign troops and police; (3) Withdrawal of foreign post-offices and agencies for wireless and telegraphic communications; (4) Abolition of the consular jurisdiction; (5) Relinquishment of the leased territories; (6) Restoration of foreign concessions and settlements; (7) Tariff autonomy. On April 22, 1919, in the presence of Premiers Clemenceau and Lloyd George, President Wilson assured the Chinese delegates that as soon as the proposed League of Nations was established, they would assist China to remove all inequalities as well as restrictions upon her legitimate rights, so that the Republic of China would truly become a perfect, independent, sovereign, great state. Subsequently Clemenceau, chairman of the Conference, suggested to the Chinese delegates that the questions for readjustment "should be brought to the attention of the Council of the League of Nations as soon as that body is able to function."

These incidents have led the Chinese people to attach added importance to the League and take a keen interest in all its activities. Acting upon the Chinese proposition that the four non-permanent seats on the Council of the League should be equitably distributed among the countries in Europe, North and South America, Asia and the remaining parts of the world, the republic was thrice elected to a seat in the Council of the League (1921–1923). A Chinese jurist, Dr. Chung-hui Wang, was elected in September, 1921, as one of the four deputy-judges to the Permanent Court of International Justice, and has since sat on the bench in several cases.



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The Khutukhta of Mongolia, the "Representative of God on Earth," photographed in Moscow while signing an agreement between the Soviet Government and the new Mongolian National Government.



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President Yuan Shi-k'ai of China, elected in March, 1912. In 1915 he attempted to found a new Imperial Dynasty in his own person. He failed, but refused to resign the presidency and died in harness in 1916.

THE WASHINGTON DISARMAMENT CONFERENCE

The achievements of the Disarmament Conference are still fresh in the world's memory, and it suffices to dwell upon its accomplishments as they concern China. As may be recalled, the first milestone registered by the Conference was the signing, on December 13, 1921, of the Pacific Treaty between the United States, Great Britain, France and Japan on the coming into effect of which, the Anglo-Japanese Alliance of July 13, 1911, was to terminate. While the Four-Power Pact is designed to preserve "the general peace and the maintenance of their rights in relation to their insular possessions and insular dominions in the region of the Pacific Ocean," it will by abrogating the alliance between Great Britain and Japan be instrumental in inaugurating a new *régime* in the Pacific, since the alliance has been responsible in the eyes of the Chinese people for the whole fabric of international relations in the Far East during the past twenty years, including the foreign policy of Japan *vis-à-vis* China, especially in 1915.

Apprehensive of a possible renewal of the Anglo-Japanese Alliance, confronted with the Shantung deadlock, and anxious about the early settlement of the questions brought up for readjustment at but left over by the Paris Peace Conference, China wholeheartedly accepted President Harding's invitation to attend the Conference at Washington. The Chinese were aware that the Conference could not redress overnight all grievances, but were confident that it could, if it wished, assist the republic by removing many of the existing limitations as well as violations of China's sovereignty, territorial integrity and administrative autonomy. Accordingly the Chinese Delegation submitted a bill of ten principles, which were favourably received by the Conference. The results attained are far-reaching in their consequences and, although not complete, have encouraged the Chinese to hope that the day will not be distant when their aspirations will be wholly realised.

The decisions of the Conference in relation to China are embodied in two treaties — the Nine-Power General Treaty and the Nine-Power Chinese Customs Treaty — and ten resolutions. The salient features of these important instruments may be briefly summarised. The first treaty binds the other eight Powers to "respect the sovereignty, the independence, and the territorial and administrative integrity of China," to "provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government," to "use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China," and to "refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of friendly States and from countenancing action inimical to the security of such States." The same treaty reaffirms the Open Door policy and discountenances the spheres of influence, and provides for a full and frank exchange of views, when deemed necessary, between the contracting parties, for the execution of the treaty. The second treaty raises the existing Chinese import tariff to an effective five per cent *ad valorem*, and authorises the convocation of a special conference in China to deal with the abolition of *likin* and levying of surtaxes on luxuries and other dutiable imports.

The resolutions adopted by the Conference provide for the organisation of a Board of Reference to investigate and report on the execution of particular portions of the first treaty; the establishment of a Commission on Extra-

territoriality to inquire and report on extraterritoriality and administration of justice; the holding of a full and impartial inquiry, "whenever China shall so request," into the issues involved in the withdrawal of foreign armed forces and China's ability to protect foreign life and property; the abolition of foreign post-offices with certain exceptions; restrictions upon the operation of foreign radio stations; publicity for all treaties, agreements, contracts, etc., concerning China; unification of railways, reduction of military forces, and better protection for the Chinese Eastern railway.

In addition the Conference was instrumental in the amicable solution of the Shantung deadlock, mainly through the good offices of the American and British delegates, and the relinquishment by Japan of a number of preferential rights claimed under the Twenty-one Demands. And in recognition of the retrocession of Kiaochow, the former German leased territory, Great Britain offered to restore Wei-hai-wei to China, while France declared her readiness to return Kwangchowwan if other Powers were likewise prepared so to do.

II. Finance

The Boxer Outbreak of 1900, with the heavy indemnity payments resulting therefrom, marked the beginning of a new epoch in the financial history of China, which is characterised by extensive borrowing both abroad and at home. Down to 1895, the national revenue had been below Tls. 90,000,000 (about $67,500,000 gold), yet there was usually some surplus over expenditure. The war with Japan resulted in an indemnity of Tls. 200,000,000 (about $150,000,000 gold), to be paid in eight instalments, and an additional Tls. 30,000,000 paid for the retrocession by Japan of the Liaotung Peninsula. Every time an instalment of the indemnity fell due, some foreign loan was arranged for making the payment. However, this obligation was fully paid off three years before due date in 1898, and the national budget would have been well readjusted in a few years, if not for the new indemnity burden of 1900.

THE BOXER INDEMNITY

The amount of the principal of the Boxer indemnity was Haikwan Tls. 450,000,000 (about $337,500,000 gold), but as the annual revenue was so meagre at that time, payment had to be extended over 39 years, making the total of principal and interest payments Haikwan Tls. 982,238,150, or more than twice the original amount. The payments were to be made out of the Customs and Salt revenues, but this arrangement made it necessary for the Chinese Government to borrow large foreign sums to meet ordinary expenses. According to the tables published by the Finance Ministry, the total foreign loans outstanding in September, 1922, were about $1,250,000,000 silver (or $625,000,000 gold), including approximately $250,000,000 gold of the Boxer indemnity still outstanding.

The above does not include foreign railway loans which are actually applied to railway construction or operation and which have little to do with the general financial conditions. Their amortisation is taken care of by the revenue from the railways themselves, and a substantial surplus has always been left over, amounting sometimes to more than $20,000,000 gold a year or about one-tenth of the total national revenue.

The other principal sources of revenue are the Customs duties, the salt tax, the land tax, the *likin*, the wine and tobacco taxes and fees, the stamp

tax and the Peking *octroi*, the last item being important only to the Central Government. All these and other revenues total about $225,000,000 gold a year.

MANY NEW TAXES

Many new taxes were levied during the last decade of the Manchu *régime*, and many more under the republic. The stamp tax was introduced in 1913, and in three years the collection had increased from $28.000 gold to $1,800,000 gold. The wine and tobacco monoply fee was a new source of revenue in 1915, and is now yielding approximately $7,000,000 gold a year. The income tax, the title deeds tax, the mining royalty, and a number of surtaxes were all introduced during the last decade, while the Customs revenue has also increased from $33,000,000 gold in 1913 to $44,000,000 gold in 1922. A greater increase has been realised in the salt revenue, but taken all in all, the Government receipts have not multiplied as fast as the disbursements, which always include large sums for meeting the different loan services. This necessitates further loans, which in turn give rise to further deficits.

Although all general foreign loans were, in a sense, occasioned by indemnity payment since 1895, and more particularly by the Boxer indemnity of 1900, the heavy military expenses have been mainly responsible for the contracting of domestic loans. Formerly very little was spent on the army, which was perhaps only one-tenth its present size. As late as 1911, the appropriations of the Ministry of War amounted only to $62,000,000 gold or less than one-third of the total expenditure. At present they require about twice that amount and more than one-half of the total budgetary disbursements. Much of the soldiers' pay is in arrears, but in spite of that and of the increase of revenue, many domestic loans have been made of which about $220,000,000 gold is still outstanding.

DOMESTIC LOANS

The nature of the Government's dependence on loans has changed during recent years. At first the Government relied entirely on foreign loans. Towards the end of the Manchu *régime*, a series of domestic bonds was issued, but was not well taken up by the public. The first domestic issue that was actually floated was the Patriotic Loan Bonds of 1911, and the first domestic loan that was fairly subscribed was that of the Third Year of the Republic (1914). In fact, the later issue was over-subscribed, and since then almost every year saw a new issue, varying from $5,000,000 to $48,000,000 gold. More and more has the Government depended on native capital to finance its deficits, but as the most reliable sources of revenue have already been set aside to meet payments on the Boxer indemnity and foreign loans, much difficulty is experienced in providing adequate security for domestic loans. Nevertheless, no large foreign loan has been raised since 1921, and the Government now relies almost entirely on borrowing at home.

A brighter outlook is seen in private finance. Modern banks have grown considerably in numbers. Twenty years ago there were only two or three such banks, but now there are more than 100 of them with more than 350 branches. For 41 banks which reported details to the Shanghai Bankers' Association in 1921, the total assets amounted to about $400,000,000 gold and the deposits to $210,000,000 gold.

The National Currency Act of 1914 made the Yuan Shih-k'ai silver dollar

the standard coin, but the exchange of the copper subsidiary coins still fluctuates from day to day. A further complication arises from paper money, representing silver or copper, being in many cases circulated at a discount. Nevertheless, this situation is a great improvement over conditions in 1900 or even 1911, when China depended on foreign coins (French, Spanish and Mexican) for her currency, or used silver by weight. Now the Yuan Shih-k'ai dollar circulates in all parts of the country.

The Central Government has now organised a Commission for the Readjustment of National Finance to devise plans for the amortisation of the floating debts, the preparation of a scientific budget and the adoption of a good currency system. These questions are dependent one on another in their solution, and China will not be rid of her financial difficulties until all of them are solved together. When that is done, and when the Special Tariff Conference puts into effect the 2½ per cent surtax in Customs tariff agreed to at Washington in 1922, her financial conditions will then be greatly improved.

III. Communications

At the beginning of 1912, the Chinese Government railways extended over a distance of about 3,800 kilometres. In 1923, trains are running over some 7,000 kilometres of Government line, not counting the Shantung railway with its 480 kilometres.

An increase of 3,200 kilometres in twelve years is not remarkable, but an increase of 84 per cent during that length of time is a record which probably no other country has achieved during this period. That the increase in China was not greater is due not to the fault of China, but to the failure of foreign contractors to fulfil contracts for construction. During the first three years of the republic (1912–1914) China contracted for the construction of nearly 10,000 kilometres of line, scarcely 500 of which have been built. The lines whose construction was prevented by the World War would have constituted a third north-and-south trunk line, a second east-and-west trunk line, and the completion of the Canton-Hankow line.

The increase in revenues has been greater than the increase in length of line. The 3,800 kilometres of line in 1911 produced about $33,350,000 silver (about $16,675,000 in U. S. gold currency). The earnings of the Government lines in 1922 were approximately $99,790,000 silver — treble the 1911 amount. China has had no inflation of currency nor any war stimulation of industry to produce this result. On the contrary, industry is supposed to have been more or less paralysed, first by uncertainty, later by plague and famine, and finally by political settlement. Yet withal the revenue per kilometre of line shows an increase from $8,450 to $14,250.

Many Improvements

When the republic came into existence (1912) the twelve or thirteen Government lines were each as separate and distinct as if they had existed in different countries. They ran their trains each with no reference to the schedules of the other. A passenger had to buy a ticket over one line at a time. He must be on hand at junction points to take charge of his baggage and transfer it to the next line. Baggage which could be carried in the *coupés* by one line must be checked on another, and parcels which could be checked as baggage on one line would be refused on another. Tickets on the different

lines were printed in different languages. Distances and weights were calculated in different units of measurement. The equipment was constructed according to different designs. If a shipment was to move from one line to another, the shipper must himself take the responsibility of transferring it from the cars of the first line to the cars of the second line at destination. The accounts were kept by different systems, and comparisons in the performance of the different lines were impossible.

Now, after only eleven years of the republic, practically all of this is changed. Through-trains are run between the principal centres. The passenger buys his ticket at point of origin for the complete journey, no matter how many lines may be traversed, or even if his journey take him into Manchuria or to Japan. His baggage, checked at point of origin, needs no further attention on his part until the destination is reached. Parcels can be forwarded in the same manner. The rules governing the weight and character of parcels which are accepted as baggage are uniform on all lines. The metric system of weights and measures has been adopted by all lines. No longer is it necessary to transfer freight at junction points, for interchange of rolling-stock permits the shipment to go forward in the original car. Even through bills of lading are used, and the auditing for all this inter-line business is performed in the Railway Clearing House in the Ministry of Communications.

The general accounting system of the railways has been made uniform for all lines, and the fruit of this uniform system is an Annual Report which combines the financial and physical results of the operations of the several lines into a single volume. Statistics of length of line, capital investment, revenues, expenses, financial charges, traffic carried, train and locomotive kilometrage, and numbers of employees are given in statistical tables. These tables are also subjected to a detailed criticism in which the performances of the various lines are compared upon the basis of unit averages. This Annual Report, of which seven issues have already appeared, was declared by a Commission of the British Parliament to be "a model of its kind, probably more up to date than that produced in any other country in the world."

A start has been made toward standardising the rolling-stock of the Government lines. Standard designs for freight cars of the various types have been agreed upon. Possibly as significant as any action is that whereby the Ministry of Communications laid down standard rules for the handling of tenders for purchase.

Before 1915 statistical comparisons were difficult to arrange. Since June, 1915, however, Permanent Government Investment has increased by $35,000,000 (silver), Additions to Property Through Surplus amount to $53,000,000 and Funded Debt Retired Through Surplus increased by $26,000,000. In other words, the Government equity has increased by $114,000,000 in seven years.

HOW THE MAILS ARE CARRIED

The Postal Administration under the Ministry of Communications is almost exactly contemporary with the republic — being only eight months older — although it was first constituted as a part of the Customs Administration in 1896, with beginnings much further back than that.

In 1912, the number of pieces of mail matter posted was approximately 160,000,000 — about one piece for every two persons in the area served. In 1922, ten years later, the number of pieces was over 426,000,000, or about one piece for every man, woman or child in the territory served. The increase in the use of the parcel post was even greater. From about a million parcels

in 1912, the number has sprung to over 4,500,000 in 1922. The weight of parcels handled has increased from under 4,000,000 kilogrammes in 1912 to nearly 24,000,000 in 1922. The former limit of three kilogrammes was raised to five kilogrammes in 1916 and 10 kilogrammes in 1919. The accessibility of the service has been increased about three times during the past ten years, as the number of post-offices has increased from less than 4,000 at the beginning of 1912 to over 11,000 in 1922. In addition some 27,000 minor establishments — rural stations principally — have been founded, thus extending the service into rural villages.

But the penetration of the mail service into the hidden nooks and far-flung spaces of the territory over which the five-barred flag flies is perhaps the most dramatic part of the whole story. In 1911 the aggregate length of the major courier lines was some 100,000 miles. In 1922 this length had increased to 155,000 miles, but in addition thereto minor courier lines, steamer, boat, railway and motor-car routes have been added until the aggregate length of routes is over 250,000 miles, or about the same as the length of the railway lines in the United States. The longest stage courier route in the world is in the Chinese service, that from Peking *via* Kalgan to Tihwa in Chinese Turkestan. Naturally such a length of line encounters unexpected conditions, and more different means of conveyance are to be found in the Chinese postal service than in that of any other country. To the ordinary railway, steamboat, motor-car, bicycle, airplane, foot messenger, horseman, and pack animal, China adds the wheelbarrow, mule litter, ox-cart, camel, sledges propelled by sails and push-poles, rafts of inflated buffalo skins, and cables by which the courier crawls over rivers.

The Postal Administration has also taken on a variety of other functions which add to its usefulness as a public convenience. For example, it takes an unofficial census and transmits money orders to the value of $75,000,000 (silver) a year. It has recently established a Postal Savings Bank which already shows deposits measured in millions of dollars.

So regular has been the service, so loyal have been the servitors, that in 1921 at the Washington Conference no serious objection was interposed when China asked that the foreign post-offices maintained by foreign countries should be withdrawn. And on January 1, 1923, all except those which were situated in the leased territories and the South Manchurian railway zone were actually closed.

The story of the Telegraph Administration during the past twelve years is practically a repetition of that of the railway and the postal services. Additional areas have been brought into immediate communication with the rest of the world, and areas which already had been reached by the telegraph have been more adequately served by the opening of additional offices or by additional equipment for the handling of a greater business. The telegraph wires in China would reach twice around the world. The number of offices approach 1,000 compared with a little over 500 in 1911. Wireless telegraphy has been added, there being fourteen offices in 1922. The Telegraph Administration exercises supervision over telephones to a certain extent, some 45,000 instruments being involved in December, 1923.

A small beginning has been made in the direction of commercial aviation, but the venture is yet in its infancy. In the summer of 1921 a daily service between Peking and Tsinan — a distance of 280 miles — was instituted, but owing to various circumstances the service has been suspended. A daily service between Peking and Peitaiho — a distance of 240 miles — is however maintained during the summer season, carrying mails and passengers to the popular summer resort. A National School of Flying under the control of the Ministry of War was established in 1913 near Peking; and by the end

of 1918 it had trained 100 pilots. The Ministry of the Navy has also a Seaplane Flying School in Foochow.

A National Conservancy Bureau was established in 1913 for the conservancy of China's innumerable waterways, including the Grand Canal, but due to shortage of funds progress along this line has not been very marked. An American engineering firm has, however, succeeded (November, 1923) in diverting the Yellow River, known as "China's Sorrow," from its periodic inundations, to its original channel as well as constructing a powerful dyke to control its waters. The value of good roads is appreciated and spurred on by the Good Roads Movement, and efforts are being directed in many provinces towards improving existing highways as well as laying out new roads. During the famine of 1920–1921 in North China the American Red Cross constructed nearly 900 miles of serviceable roads with the labour supplied by famine refugees, and this example is proving a great incentive to the Chinese.

IV. Industries and Trade

China being essentially an agricultural country, approximately four-fifths of her population are engaged in farming. Agriculture as an occupation has been always highly regarded in China, and the farmer comes second in the traditional system of social classification, viz., scholar, farmer, artisan and merchant. Even to-day agriculturists in Western countries envy their Chinese confrères' knack as well as knowledge of soil fertilisation, rotation of crops and conservation of waste. Lack of scientific knowledge and modern implements is, however, retarding normal development here as well as in other phases of national activity.

With the establishment of the republic means have been devised to enable the farmers as far as possible to keep up with the times. As a result, each province has now an experimental station established by the local authorities, and enlightened growers of cotton, tea and silk have established similar stations for the improvement of their produce. These publish periodical bulletins in simple language for the information of the farmers, and stage lectures and exhibitions for their demonstration. China is already the third largest cotton producer in the world, and the extensive use of modern implements will undoubtedly increase the output several fold. As evidence of the appreciation of the value of coöperation, recent statistics show that there are 581 district and 496 village agricultural associations.

The ravages of floods and inundations have brought home to the masses the destructive effects of deforestation which hitherto had been indiscriminately practised, and Arbour Day every year is now set aside as a "tree-planting festival," when the official and student classes go out into the country and plant trees. Thus is emphasised the value of tree planting and afforestation.

The Capitalistic System Introduced

During the period under review Chinese industries have been passing from the handicraft to the modern capitalist stage. Almost all manufacturing was done by hand in small workshops twenty years ago, but by 1923 there were about 19,000 factories applying steam or electric power and labour-saving machinery.

The order of development is somewhat as follows. Attention was first paid to the mining industry, especially coal. The Kailan coal-mines of Chihli

were operated as early as 1878, but the period of greatest activity in that industry was from 1897 to 1911. Most of the large existing mines were opened during that period, including the Peking Syndicate coal concessions in Honan, the iron-mines at Tayeh (Hupeh), the coal-mines at Pinghsiang (Kiangsi), the Pen-hsi-hu coal and iron mines in South Manchuria, and the Pao Chin coal-mines in Shansi. Iron and steel works were also established during much the same period, but the heavy initial outlay and bad transportation conditions soon frustrated the development.

As China is the third largest cotton-producing country, it was easy for the spinning industry to develop. The earliest cotton-mills were established around 1890, but most of the existing mills came into existence after 1900, and the greatest boom in this industry came when the World War curtailed the importation of cotton yarn and piece goods. Statistics compiled by the Chinese Cotton Millowners' Association show that the number of spindles grew from 659,752 in 1919 to 1,593,034 in 1922, while the inclusion of those owned by foreign mills in China and those in course of erection would bring the total above two and a half million. The number of power looms also increased three-fold in these four years, and the quality of the fibre has been steadily improved through the introduction of American seeds.

The vegetable oil and the flour industries began to flourish after the cotton-mills, and if small ones are counted, there are thousands of them in Manchuria, the Yangtze Valley and the Northern provinces. Electric light and power works and telephone companies are now found in all the larger cities of the country. Chemical industries had a longer period of development than the flour industries, but they were on a small scale and have not affected the general industrial conditions very much. In view of the great demand for their products, they are destined to play an important *rôle* in the future.

An interesting fact is revealed by the Customs reports of the last two years. Formerly China depended on foreign countries for manufactured products, but Chinese factory products were exported to the amount of Haikwan Tls. 97,036,023 and 127,702,280 in 1921 and 1922 (about $73,000,000 gold and $96,000,000 gold) respectively. They made up from one-sixth to one-fifth of the total exports. This is an unmistakable sign of the industrial development of the country.

Another sign is found in the nature of the imports. At first only manufactured goods for immediate consumption were imported. Gradually demand arose for half-prepared material, such as cotton yarn, leather, steel plates, etc., to be turned into finished products in China. Now there is an increasing importation of machinery and machine parts with which to install manufacturing plants.

A concomitant development is the appearance of the labour problem. Wages have risen many fold during the last two decades, but the cost of living has risen more. Labourers have formed organisations, and strikes have become common occurrences. The Government recently promulgated certain regulations for the protection of factory and mine labourers; and social service organisations, in conjunction with the Government Bureau of Economic Information, are making a careful study of the problem. It is hoped that a satisfactory solution will be found without resorting to class wars.

The development of industries is faithfully reflected in China's foreign trade, with the result that whereas in 1910, the net foreign trade was valued at Haikwan Tls. 843,798,222, its net value had been doubled by the end of 1921. On the other hand, the adverse trade balance between imports and exports has increased from eighty million taels to three hundred million taels during the corresponding period.

V. Education

The aim of Chinese education in the past has been predominantly moral and cultural. Its curriculum was largely limited to some standard books of vocabulary and the classics; the former most rudimentary, the latter intensely profound, both meaningless to children. Its method, to quote Paul Monroe, "is to compel the pupils, first, to remember, secondly, to remember, thirdly, and ever more, to remember. . . . It is as though our whole aim in school were to develop the ability to write essays similar in form, structure, and sentiment to the *Proverbs* and *Psalms*."

Great changes, however, have occurred during the last twenty years. Early in 1903, a system of national education in which modern sciences were given proper place was adopted, and the old-style literary examination was abolished in 1905. In recent years, the scientific and vocational tendency has replaced to a large extent the literary and cultural tradition. As to method, learning by rote and "pouring in" has been gradually superseded by the so-called developing method. The Herbartian Five Formal Steps found a general reception a decade ago. Then the formality of it was sensed, and teachers sought to reduce the amount of oral presentation by "supervised study." At present, the "project method" of teaching is much in vogue in elementary education. School discipline has also changed from its old harshness and rigidity to a spirit of freedom and self-control that is conducive to democratic citizenship.

The educational system of 1903 was revised in 1912, and the latter, with slight modifications, continued to be in force till 1922 when the present system was adopted. This divides education into the following periods: (1) Elementary, from six to twelve years of age; (2) Secondary, from twelve to eighteen (this period including normal and vocational schools); (3) higher, from eighteen to twenty-four, for work in college or technical school, and from twenty-four to twenty-six for graduate work.

In regard to the sources of support of the schools, generally speaking, the Central Government is responsible for the higher education, the Provincial Government looks after the secondary education, and the elementary education is in the hands of district officials and the gentry of cities, towns and villages.

The present educational situation may be summarised by the following statistical table (data published by the National Association for the Advancement of Education, Peking, 1923):

Grade of Institutions	No. of Institutions	No. of Students		
		Male	Female	Total
University and College	125	34,033	847	34,880
Normal School	275	31,553	6,724	38,277
Normal Institutes	110	5,170	399	5,569
Middle	547	100,136	3,249	103,385
Vocational (secondary)	164	18,908	1,452	20,360
Vocational (elementary)	439	18,710	1,757	20,467
Higher primary	10,236	547,297	35,182	582,479
Lower primary	167,076	5,445,815	368,560	5,814,375
Grand Total	178,981	6,201,622	418,170	6,619,792

The above figures do not include the missionary schools without giving a due account of which any survey of modern Chinese education must be incomplete. "Christian schools were at first established not by professional edu-

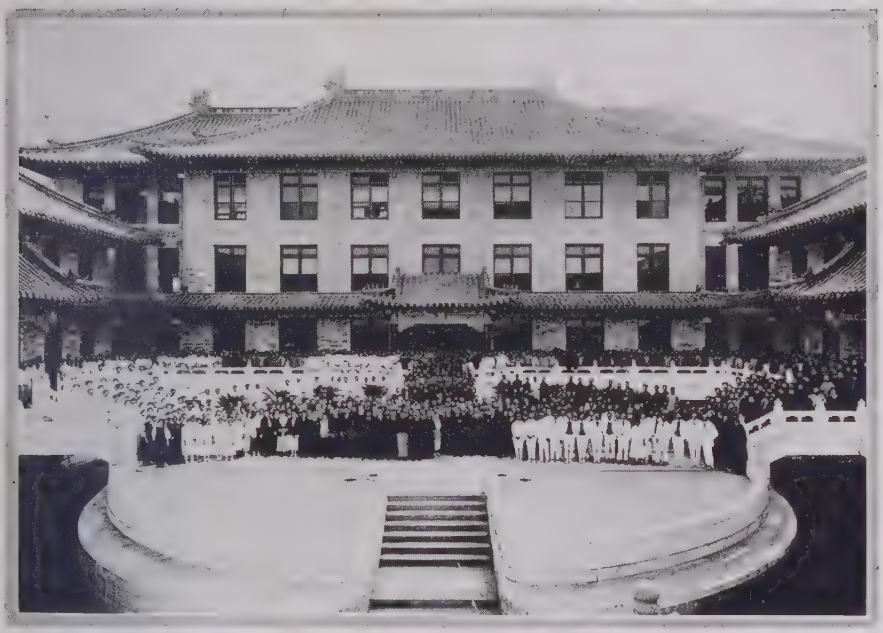
cators and not for the promotion of education for education's sake, but as an adjunct and aid to evangelisation. Once established, however, the schools indicated their right to live, not only by serving the end for which they were originally founded but by contributing effectively to the other ends which missionary work began to set for itself. As a result they grew in number, size and variety of specific character, ranging from the kindergarten to the college, and even in a few cases undertaking post-graduate work." The following is a statistical summary as found in the Report of the China (Christian) Educational Commission of 1921–1922:

Grade of Institutions	No. of Institutions	No. of Students		
		Male	Female	Total
Kindergarten	139			4,324
Lower Primary	5,637	103,232	48,350	151,582
Higher Primary	962	23,490	9,409	32,899
Middle	291	12,644	2,569	15,213
Normal	48	360	262	612
College	16	1,858	159	2,017
Bible School	100	1,024	1,635	2,659
Theological	13	391		391
Law	1	27		27
Medical	10	485	78	563
Nurse training	106			1,380
Blind	29	286	508	794
Deaf mutes	5			60
Orphanages	25			1,733
Grand Total	7,382	143,797	62,970	214,254

THE CENTURIES-OLD WRITTEN LANGUAGE OF CHINA

The high percentage of illiteracy in China is explained by the difficulty in learning the ideographic language and by the fact that the classical education is only enjoyed by a privileged few. Initiative has been taken by the National Committee of Young Men's Christian Associations to work out a series of readers called *Foundation Characters* based on one thousand of the most commonly used characters of the language. With the aid of lantern slides, showing the characters with pictures on the screen, these lessons have been presented successfully. The matter is now taken up by the National Association for the Advancement of Education, and large-scale campaigns have already been launched in Peking and Nanking. Among the agencies of popular education that are under Government control may be mentioned the public "make-up school," half-day school, the lecture hall, the newspaper reading-room, and the public library. According to the latest report of the Ministry of Education, there are 321 public "make-up schools," 1,552 half-day schools, 2,139 lecture halls, 1,817 newspaper reading-rooms, and 51 public libraries in the country.

The Chinese written language, well developed centuries ago, is now very different from the spoken language, which is further divided into a number of local dialects. Since the written language has been little influenced by the growth of living dialects, it has become static and inflexible, not closely related to the needs of present life and inadequate as a medium of literary expression for the common people. Again, since the written language is ideographic, not phonetic, it is extremely hard to learn. To obviate the first difficulty, Chinese educators have been advocating the substitution of the spoken language for



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The Pekin Union Medical College, built by the Rockefeller Foundation of New York and opened in 1919. In front are the staff and student membership.



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Dr. Wellington Koo, sometime Chinese Minister of Foreign Affairs; has been Minister both to Great Britain and to the United States. He contributes the chapter on China to *These Eventful Years*.



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Dr. Sun Yat-sen, Chinese Revolutionary leader. In 1921 he was elected President by the Southern Government at Canton, but was deposed in 1922.

the classical style of writing as the medium of literary expression, and already numerous journals and periodicals are being published in the spoken language. To partly obviate the second difficulty, a system of phonetic symbols has been made and adopted, consisting of forty symbols to be written side by side with the written character as a means of learning the pronunciation of the written character.

CHINESE SCHOLARS ABROAD

A significant movement in Chinese education has been the sending of students to foreign countries to drink direct at the fountain-heads of Western learning and inspiration. The movement began with Yung Wing in 1868 when he took over to the United States a band of thirty young students under the auspices of the Government. In 1908, the United States generously returned the unexpended portion of the Boxer indemnity to China and, out of appreciation and good-will, the Chinese Government has been sending annually to the American universities and technical schools a number of young men mostly trained and prepared in Tsing Hua College, Peking. Japan at one time attracted the largest number of students, while the number of those in England, France, Germany and other European countries is small compared with that of those in America.

While students will continue for some time yet to pursue higher education abroad, beginnings in original, scientific researches have already been made at home. The Geological Survey of Peking and the Biological Institute of Nanking, founded in 1922 by the Science Society of China, are striking instances. In literature and philosophy there have also been some original studies made. Finally, the visits of Exchange Professors from America and Europe — *e.g.*, Dr. John Dewey in 1919–1920, Mr. Bertrand Russell in 1920–1921, and Prof. Hans Driesch in 1921–1922 — when they gave public lectures in various parts of China and offered short courses in national universities, have stimulated not a little the impetus for educational research work.

VI. Social Life

In the manner of change from a formless to a formal democracy may be seen the character of the social transformation which has been witnessed since the establishment of the republic and which is still going on to-day in the country. While the traditions of forty centuries cannot be renovated overnight, the law of the survival of the fittest cannot be denied its operation. And the net result seems to be a distinct score for the new.

To begin with, the advent of a democratic form of government has tended to democratise the life of the people. Where there were irksome restrictions, there is now judicious freedom, although at times this freedom is apt to be mistaken for licence and abused. This is especially true of the commingling of the sexes, where rigorous exclusion was the rule. The elaborate customs of marriage have been reformed to the point of ultra simplicity, and the future man and wife have more and more the liberty of mutual selection. The benefits of education are being shared by the women, and they are not slow to take advantage of their new status. A few of them have not hesitated to agitate for woman suffrage, but the majority seem to prefer to go slowly and instead win a larger place in the sphere of social and public service.

Foreign customs and things foreign are becoming increasingly popular.

Football, tennis and other outdoor games are slowly displacing the old Chinese calisthenics, while poker and bridge are rivalling the popularity of "Mah Jongg" ("Sparrows") or "Pung Chow" in America and Europe. Foreign music is being heard more and more in public functions, and the stranger in the land is no longer held at arms' length.

The cake of custom is steadily crumbling, and such practices as the wearing of the queue, foot binding, early marriage, infanticide, opium smoking are either being discarded or frowned upon. Disused temples have been pulled down to make room for modern schools, and city walls demolished to make way for macadamised roads. Life has begun to lose much of its former drudgery, and there is more sincerity than formality in social intercourse.

ANCESTOR WORSHIP DISAPPEARING

Respect for the family elders there still is, but the former abject obedience is disappearing. The ancient virtue of filial piety practically remains intact, but the so-called ancestral worship is assuming more and more the form of rational veneration. The sanctity of the family is still being jealously guarded, but the guarding thereof is done with better understanding.

With the spread of education and universal enlightenment there is greater general articulation. This is evidenced in the growth of newspapers and periodicals, which in turn has sponsored the growth of public opinion. Public opinion has its own forms of expression in China, and this opinion is coming to exercise more and more a deciding influence in the life of the nation.

FAILURE OF THE OLD RELIGIONS — INFLUENCE OF CHRISTIANITY INCREASES

The attitude towards religion is similar to that adopted regarding the other problems of life: where there used to be blind faith and confidence, there is now more rationalism and intelligent understanding. The ancient religions of the country have been found wanting, and Christianity bids fair to play an increasingly larger part in the mentality of the people. As among the Christians so among the Confucianists, there is much heart-searching going on, and while the Christian churches are striving to become independent of foreign assistance in order to solve their own problems, attempts are being made to revive Confucianism. Philosophy and religion go hand in hand, since Confucianism and Taoism were founded on the moral teachings of two of the nation's greatest philosophers. Of late there has been renewed interest in the writings of ancient philosophers. These are being reinterpreted by some of the greatest contemporary writers, and endeavours are being launched to construct something new out of the past.

The pendulum having swung enough to the two extremes is beginning to settle down, and the attitude to-day is one of judicious discrimination. While the minority experiments with an importation from the West, the majority will wait. If the new is superior to the old, well and good; otherwise the national tradition will be preserved.

PATRIOTIC DEMONSTRATIONS

Conservatism as a characteristic of the people seems to be more and more finding itself in patriotic manifestations. Thus when the republic was established, the first Provisional President repaired to the tomb of the founder of

the last Chinese (Ming) dynasty and announced to the spirits of the departed monarch that China had been recovered by the Chinese people, that the power and prestige of the Manchus had been annihilated, and that a free republic had been established. Again, when the Chinese Delegates returned from the Paris Peace Conference, they repaired to the tomb of Confucius in Shantung and offered formal sacrifices to the departed spirits. One announced the recovery of the national patrimony from alien hands; the other expressed the nation's gratitude that the republic had not been deprived of its holy land.

VII. Tendencies and Possibilities

With the size of China's territory — four and a quarter million square miles — with its teeming population — four hundred million inhabitants — and with its immense natural resources — the coal supply of one northern province alone is said to be sufficient to last the whole world a thousand years — the possibilities of the republic seem to be almost illimitable.

While the progress noted in the foregoing pages is satisfactory enough, the results could have been improved if the circumstances had been more favourable. For example, if there had been 20,000 instead of the existing 7,000 miles of railway; if there had been peace and harmony in the country instead of civil strife for the greater part of the past decade; if there had been more extensive improved communications instead of the existing meagre scale in face of which it was almost impossible to prevent floods, famines and other preventable visitations; if the national treasury had been replenished instead of impoverished with the consequent delay in the development of education, industries and other phases of national activity; or if the republic had been left to develop itself instead of being fettered by inequitable treaty restrictions, such as the limitation of the import tariff to a nominal five per cent, *ad valorem*, and the existence of leased areas and extraterritoriality under the *ægis* of which traffic in contraband goods, including arms and morphia, could be prosecuted almost with impunity.

For if the situation had been normal, the nation would have enjoyed a reasonable spell of peace and tranquillity; the present incubus of superfluous soldiery would be non-existent and the militarists would be deprived of their lever; there would be funds enough to pay Government employees and support the schools; more railways would have been constructed, more waterways would have been conserved, many more thousands of miles of good roads would have been built, and commercial aviation would have been started in earnest; the development of industries and trade would have forged ahead and multiplied; China's foreign relations would have been more logical and truer to herself; the people would have come into their own and the republic would not only have become a truer democracy but also taken a more important part in the great world events of the past decade. Such being the case, one may sympathise with China in her Herculean task of making a new democracy out of the old fabric of absolutism.

HOPEFUL OUTLOOK FOR THE FUTURE

Yet handicapped as it is, the nation is slowly but steadily settling down to an era of readjustment and reconstruction. The period of transition is still in being, but the longer the ordeal the surer will the foundations be laid. Public opinion is insistently asserting itself, and militarism as such

will ere long die a natural death; in fact, more and more it is already being gradually shorn of its illegitimate power. The country seems to be too vast for one central government to govern efficiently, and the tendency to-day is toward coördinated decentralisation. In at least two provinces the system of provincial autonomy has been put into actual practice, with each a provincial constitution and an elected administrative head or governor, and making a virtue of necessity, the new Permanent Constitution has made due provision for granting to the local areas large powers of self-government. The proper recognition that has hitherto been denied to China as a sovereign state is being slowly accorded, and since the Washington Disarmament Conference a keener interest seems to be taken by the Powers in the progress of the republic.

Those who are inclined to despair about China will do well to restudy the history of the United States; its Federal Constitution required twelve years to adopt. The problems of government, finance and the maintenance of public order which Americans had to face in the early days of their republic, of which an interesting account may be found in John Fiske's *The Critical Period of American History,* were quite as difficult as those facing China at the present time.

Given time to adjust itself, time for the forces of retrogression and obstruction to progress to be removed, time to reconstruct a real democracy out of the old fabric, and given the necessary assistance, good-will and co-operation of the rest of the world, China will not only come to herself to-morrow as a peaceful, well-ordered and prosperous state but also become once more a great civilising force as well as an element of weight in the concert of Powers.

[The writer wishes to acknowledge his indebtedness to Dr. M. T. Z. Tyau for his help in preparing this article and to Messrs. D. K. Lieu, H. Y. Hu, Wunsz King, T. Z. Chang, H. C. Meng, and Stewart Yui for their assistance in collecting the necessary data.]

PRINTED IN U. S. A.